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Tapes Reveal Marcos Plot Against Aquino



SOUTH AFRICAN WHITES MEET ANC — Thabo Mbeki, left, of the African National Congress, greeted Frederik van Zyl Slabbert in Dakar. World Briefs, Page 2.

Compiled by Our Staff From Dispatches
WASHINGTON — Former President Ferdinand E. Marcos of the Philippines plotted a military operation, scheduled to start Friday, to overthrow the government of his successor, Corazon C. Aquino, and take her hostage, according to tape recordings made public here and in Manila.

The recordings, of a conversation between Mr. Marcos and a man posing as an arms dealer, prompted the Reagan administration to bar Mr. Marcos from leaving Hawaii, where he is living in exile, the State Department said.

In the recordings, made public Thursday, Mr. Marcos said: "I am going to land there, I don't care who opposes me."

According to the tapes, Mr. Marcos sought to buy tanks, anti-tank weapons, Stinger anti-aircraft missiles, recoilless rifles, grenade launchers, 50-caliber machine guns and 8,000 M-16 rifles, the standard infantry weapon of the U.S. Army.

The plot apparently never advanced very far because the people from whom Mr. Marcos was seeking to obtain financing and arms shared their information with the Philippine government, the U.S. Justice Department and the U.S. Congress.

The tapes were made public in Washington by the House Foreign Affairs subcommittee on Asia and the Pacific and in Manila by government officials.

In the Philippines, officials said Thursday that Mrs. Aquino knew of Mr. Marcos' plan as early as June 12.

Appearing unruffled, she said Thursday: "I am very pleased that this statement came about at this time, that again, rumors are circulating that Mr. Marcos and/or Mrs. Marcos are planning to return home. This should put these rumors to rest."

Brigadier General Luis Villa-Real said that when he learned of the plan last month, as Mrs. Aquino's chief intelligence officer, he alerted the navy to watch for unusual arms shipments.

He said that, according to the taped conversation, Mr. Marcos planned to use either Hong Kong or the South Pacific nation of Tonga as a launching place for the coup.

General Villa-Real said there were indications of coordination with Mr. Marcos' supporters in the Philippines who have been linked to destabilization moves there, including a recent series of bombings.

Information obtained by the U.S. congressional subcommittee indicated that Mr. Marcos' return was planned for Friday and that he hoped to link up with a 10,000-member force ready to support him in the Philippines.

President Ronald Reagan sent a letter to Mr. Marcos, and senior officials of the State and Justice departments visited him Monday and Tuesday, to tell him he had to stay on the island of Oahu unless he agreed to return to Manila.

See MARCOS, Page 2



South Koreans attacking a bus during the violence in Kwangju on Thursday.

North Shredded Until End

Destroyed Papers As Investigators Sought Evidence

The Associated Press
WASHINGTON — Lieutenant Colonel Oliver L. North testified Thursday that he shredded documents relating to his Iran-Contra activities even as top Justice Department officials worked in his presence to search for evidence.

"They were working on their projects. I was working on mine," Colonel North said as he acknowledged under cross-examination that he was destroying evidence until practically the moment he was dismissed by President Ronald Reagan.

Colonel North also testified that he took direction from William J.

Casey, the head of the Central Intelligence Agency, personally misled Attorney General Edwin Meese 3d, and conferred with Vice Admiral John M. Poindexter, then the national security adviser, as he struggled last fall to protect President Reagan from political damage over the affair.

But Colonel North, 43, said his intention was merely to shield the president from domestic political damage. "I never imagined that we had done anything illegal" on the National Security Council staff in the affair, he said.

Describing the shredding, Colonel North said he took documents from his office to the shredding machine in the next room while Mr. Meese's investigators worked in his office. The shredder could be heard by Mr. Meese's men, but they never asked him to stop, he said.

Colonel North said that Mr. Casey knew all along of the diversion of Iranian arms sales proceeds to the Nicaraguan rebels, or contras. But he said he concealed that fact when Mr. Meese questioned him on Nov. 23 as part of an inquiry into the Iran-contra affair.

The colonel said the deception was "part of the plan" to keep the affair hidden.

He also said he assured Admiral Poindexter, wrongly as it turned out, that he had destroyed all memos in his files relating to the diversion of profits.

And he described how Mr. Casey told him last fall that the time had come to begin destroying documents relating to the covert activities.

See INQUIRY, Page 2

Kiosk

Chad Says Libya Masses Troops

PARIS (Reuters) — President Hissabé Habré of Chad said Thursday that Libya had massed about 10,000 troops in northern Chad in preparation for a possible offensive.

He said in a French radio interview that Libya had reinforced its positions in and around the disputed Aozou strip along the Chad-Libyan border.



Truman Capote is the subject for six biographers, including Jack Dunphy, his long-time companion. Page 9.

GENERAL NEWS

India ordered a curfew in part of New Delhi as mobs tried to set fire to Sikh temples, homes and businesses. Page 2.

The EC said trade legislation before the U.S. Congress would trigger retaliatory action if it were passed. Page 11.

Down close: DOWN 1276
 The dollar in New York:
 DM 2 Yen FF
 L89 1.618 150.20 6.151

Iran Attacks Oil Tanker Operated by U.S. Firm

The Associated Press
MANAMA, Bahrain — An Iranian gunboat attacked an American-operated tanker ship, with rocket-propelled grenades and machine guns Thursday in the northern Gulf off Kuwait, setting it on fire, maritime sources said.

The Peconic, a supertanker that is registered in Liberia and flies that country's flag, was hit late Thursday morning and radiated a distress signal to maritime salvage offices, the sources said.

NO DETAILS WERE REPORTED.

The attack was reported from Washington.

"We deplore and regret the attack," said the spokesman, Martin Fitzwater. Asked if there would be military retaliation, he said: "No, we have no intention of retaliating."

When it was hit, the Peconic was about 60 miles (100 kilometers) southeast of Al Ahmadi, Kuwait's main oil terminal, where 11 Kuwait tankers are scheduled to arrive with U.S. Navy escorts later this month. The tankers are being registered in the United States.

Iran warned the United States on Thursday not to go ahead with the refueling plan.

The state-run Tehran radio said in a commentary monitored in Cyprus that, by entering the Gulf, the United States was "entering quicksand that will have more dangerous consequences than the U.S. military ever experienced in Lebanon or Vietnam."

Maritime officials said the Peconic, operated by Universe Tankships Inc. of Delaware, was on its way to Kuwait to load 60,000 short tons (54,430 metric tons) of oil.

Tugboats were sent to help the Peconic, which according to

Lloyd's Register of Shipping in London is owned by Gray Shipping Inc. of Monrovia, Liberia.

In a shore-to-ship contact, a crew member said the attack was carried out by a missile boat.

See ATTACK, Page 2

2 Jumbo Jets Nearly Collide Over Atlantic

By Richard Witkin
 New York Times Service
NEW YORK — Two jumbo jets with almost 600 people aboard came extremely close to colliding over the Atlantic Ocean this week, according to government and airline officials.

A government official said the two planes, both traveling westward from London at about 600 mph around midday Wednesday, were 500 feet (150 meters) apart when the crews realized what was happening, and may have missed a collision by as little as 100 feet.

One of the planes, a Delta Airlines Lockheed L-1011 bound for Cincinnati, was apparently about 60 miles (100 kilometers) off course when it passed beneath a Continental Airlines Boeing 747, bound for Newark, New Jersey, at about 31,000 feet (about 9,500 meters).

Officials at Delta said the Delta plane had passed less than 500 feet below the Continental craft.

Because there is no radar coverage allowing air controllers to watch the progress of flights over the ocean, trans-Atlantic airlines are assigned precise tracks and altitudes to keep them safely separated.

The three-engine Delta plane carrying 153 passengers and a crew of 10 or 11 and the four-engine Continental plane, carrying 399 passengers and a crew of 19, had both taken off from Gatwick Airport in London.

The Continental crew reported that the Delta plane passed just beneath it, flying from right to left, about three hours into the seven-hour flight.

William Berry, a Delta spokesman, said the Delta crew had reported it had been having "navigation instrument problems."

"The weather was clear, and it was not immediately known why neither crew had apparently seen the other plane until the incident."

See MARCOS, Page 2

300,000 Join Demonstration in Seoul After Mourning the Death of a Student

By Nicholas D. Kristof
 New York Times Service
SEOUL — Opponents of the government showed their strength Thursday with perhaps the largest demonstration in South Korean history, followed by violent assaults on the Seoul City Hall and clashes with police on barricaded streets.

Estimates of the crowd varied, and grew as the day wore on, with most in the range of 300,000 to 500,000. Some leading Korean newspapers reported that as many as a million people turned out.

The protests began at 7 A.M. as a funeral march for a student who was fatally injured during a demonstration last month and lasted until midnight.

See MARCOS, Page 2

Voter Discontent Marks Hawke's 3d-Term Race

By Michael Richardson
 International Herald Tribune
SYDNEY — Prime Minister Bob Hawke appears on track to win an unprecedented third term for his Labor government in national elections Saturday. But there are signs that Australian voters are disenchanted with both major political parties.

Political and business leaders say that the campaigning for the elections has failed to focus adequately on economic problems or to prepare Australians for a declining standard of living.

The latest public opinion polls put Mr. Hawke's Labor Party ahead of the two main conservative opposition groups, the Liberal Party and the National Party, by 4 to 7 percentage points.

If these results reflect a country-wide voting pattern on Saturday, Labor is likely to increase its ma-

See KOREA, Page 3

Reagan Avoids Comment on North

Washington Post Service
WASHINGTON — President Ronald Reagan tended to routine business Thursday at the White House while aides prohibited reporters from seeing him to ask questions about the testimony of Lieutenant Colonel Oliver L. North at the Iran-contra hearings.

Mr. Reagan was described as too busy Thursday, as he was earlier in the week, to watch the televised congressional hearings. However, the chief White House spokesman, Martin Fitzwater, said Mr. Reagan had followed the hearings "very closely" through newspaper and television news accounts. "He's well aware of what's happening," Mr. Fitzwater said.

He Fitzwater said that there would be no photo sessions or other access to Mr. Reagan by reporters. On Wednesday, in New Britain, Connecticut, Mr. Reagan focused on his conservative economic policy in a speech to business and community leaders. He commented indirectly on the Iran-contra affair by denying that his visit was a "ploy" that was "cooked up to distract attention" from the hearings.

A Swiss Myth Crumbles Zero Inflation Now a 'Grand Illusion'

By Thomas Netter
 International Herald Tribune
GENEVA — For most of the last dozen years or so, Switzerland's near-zero inflation has been as durable a part of the national legend as William Tell. Heidi and near-zero unemployment.

The most recent inflation data, released Wednesday, seem to bear out this ideal: According to the government, prices rose a mere 0.3 percent in June, and just 1.3 percent over the last 12 months.

So why have some car insurance policies risen by 5 to 7 percent since 1986, truck insurance rates by 13.4 to 16 percent and health insurance by 15 percent — and in extreme cases — 25 percent? Why are bus tickets in Geneva 15 percent more expensive this year than last? And why does a cup of black coffee that cost 1.8 Swiss francs last year now cost 2 francs, or 11 percent more?

People are beginning to wonder. The Tribune de Geneve, Geneva's afternoon daily, in fact, has posed the question a little testily in a full-page article entitled "Zero Inflation in 1986: The Grand Illusion."

Scantiment seems to be growing here that like William Tell and Heidi, Switzerland's "zero inflation" is a pretty myth.

"The real inflation is perhaps at about 3 percent now," says Marian Stepczynski, an economist and financial analyst who writes a column for several Swiss publications. "But it's there nevertheless."

Some say the discrepancy between the facts and the figures stems from the way the government steels up its data — by averaging price fluctuations in various categories. Others note that insurance and taxes, at least, aren't included in official inflation calculations. The common explanation is that while some prices — especially for food, rents, services and insurance — are edging up, the prices of petroleum, gasoline, diesel and heating oil plunged last year, canceling out the increases.

The government, at least, maintains that inflation remains virtually nil, even if the June figures are higher than the 0.3 percent inflation rate for all of last year, and the minus 0.1 percent disinflation rate recorded in November.

So who could complain about that? At lot of people, it seems.

"There seems to be a consensus that prices are going up, even though the inflation rate doesn't show it," said an official of the Swiss Federation of Consumers in Bern. "We tell them that with the

At Last, Shops That Meet the Need for Real English Shabbiness

By Mary Blume
 International Herald Tribune
LONDON — God, it is well known, is an Englishman and one of His most decorative creations is the gentleman: well-brushed hair, excellent shoes, his superiority masked by diffident clothes and a careful air. The mixture is too subtle to imitate, but foreigners do try and try again.

"They try too hard and everything is too tight. They look too English, too perfect," says Ashley Lloyd-Jennings. "The real Englishman has a slightly casual way of putting things together. It's perfectly acceptable to wear a shirt that's slightly frayed at the cuffs, or even at the collar."

It is also perfectly acceptable to wear suits belonging to deceased friends and relations, dead men's clothes as they are called. But in these socially mobile days not everyone has a pater who dressed in Savile Row, so in 1983 Lloyd-Jennings and Jeremy Hackett opened a shop on the unfashionable west end of King's Road, where they sold the best sort of used clothes and leather luggage. They were an immediate success.

Suddenly three more Hackett shops have sprung up in the area near Parsons Green, which, it is said, is fast becoming known as Hackett's Cross. The new shops sell a complete line of new clothing for men, everything from pajamas to polo breeches and panama hats (the right kind, with a ridge, or rollaway as it is technically called, down the center instead of a dent), all of it made in England and all of it firmly traditional in style.

Hackett has also opened a colonial outpost at Bergdorf Goodman in New York and recently took over Cordings, an ancient sportswear store in Piccadilly that pioneered the rubberized raincoat and for many years featured as its sole window display a tank of water in which stood a rubber boot.

The average Hackett customer is 35 years old, tends to shop on Saturdays wearing brown suede shoes with his jeans, and belongs to what might be called the hunting, fishing and shopping crowd. The clothes his customers choose, says Lloyd-Jennings, 42, are more a uniform than anything else. "I think the shop is an extension of school," he says. Public school, of course.

"Everyone who works in the shop is also from the same ilk. We have four Old Etonians, two from Gordonstoun, one from Marlborough, three or four from Stowe." Neither Hackett nor Lloyd-Jennings actually attended Eton but they do play tennis there with their shop hands and intend to open an Eton branch in October.

Traditionalists to the core, Hackett and Lloyd-Jennings will open an old-fashioned barbershop near Hackett's Cross at the end of this month: no stylists or blow-dries, just two middle-aged barbers trimming, lathering and slapping on hot towels. "There's a whole generation out there that has never had all that and will enjoy it," Lloyd-Jennings says. There will also be a special line of toiletries, ivory-handled toothbrushes, loafers and secondhand leather luggage. "It's really not done to arrive with a brand-new gun case or cartridge bag," Lloyd-Jennings says.

Many things are really not done, though foreigners keep doing them. A gentleman should not, for example, wear a button-down collar in town. He may wear one in the country under a sweater made of wool.

"Our type of customers don't wear silk shirts or cashmere sweaters. They may have a cashmere sweater that was given to them for Christmas but we're not cashmere sweater people."

Argyle socks are not worn in town, nor should suede shoes be worn with town suits except on weekends. Bowler hats are infra dig.

"If you see a bowler hat in the City the man is from Birmingham or Manchester or very possibly Amsterdam. We do sell bowlers about three or four times a year, when you have the big military parades and all the officers have to have their bowlers. They don't even wear them, so often they come into the secondhand shop the day before the parade and buy whatever size we have left."

What Americans call ascots and the British call

See HACKETT, Page 5

India Imposes Curfew In Part of New Delhi as Mobs Attack Sikh Sites

By Sanjoy Hazarika
New York Times Service

NEW DELHI — Indian authorities ordered a curfew Thursday in part of the capital after anti-Sikh violence spread to neighborhoods in the west of New Delhi where mobs sought to set fire to Sikh temples, homes and businesses.

A police spokesman said that at least 150 persons were detained there and elsewhere in the city in connection with the violence and described the situation as "tense but under control."

Indian troops were standing by to assist the local city administration but police officials said the army had not been called out. No injuries or fatalities were reported. A curfew had previously been ordered in the old walled city of Delhi, where Hindu-Moslem tension has persisted for weeks.

It was the second consecutive day of anti-Sikh rioting in northern India, in which nine persons were killed. The rioting occurred during a work stoppage called by an opposition party to protest the massacres of 72 Hindu bus passengers in the region by Sikh terrorists this week.

However, the protests did not deter Sikh terrorists from killing 11 more persons in Punjab on Wednesday night and Thursday. More than 500 persons have died this year in such clashes.

Prime Minister Rajiv Gandhi declared that he would not negotiate with the militants and vowed to crush terrorism. Mr. Gandhi said at a meeting here that peace would return to the Punjab "only if killing in the name of religion is put to an end," a news agency report said.

Indian soldiers were called out Wednesday to stop Hindu rioting during protests in six towns of Haryana state, which is between New Delhi and Punjab. A curfew was imposed at one of the towns. In addition, soldiers were summoned to assist local officials in two towns in the states of Uttar Pradesh and Himachal Pradesh.

The Indian capital was shut down by the work stoppage — the stock exchange was closed, buses canceled their services and schools gave their students a day off. Private offices and bazaars also were shuttered and traffic was light.

Thursday's violence, the mobs attacked two Sikh temples, five homes and tried to set fire to several stores before the police dispersed them with tear gas and then ordered the curfew. Minor violence also was reported from two other suburbs before law enforcement officials curbed it.

Successful work stoppages were also reported from four cities in central and western India, and opposition leaders said they were going ahead with plans to hold similar ones at Bombay, India's commercial capital, Thursday and at least one other city.

The massacres this week stunned the country and prompted angry questioning of the competence of the nation's law enforcement agencies.

N.S. Saxena, a former member of the National Police Commission, said Thursday that Indians viewed the police as "a blatantly corrupt and partial force."

He said Indian policemen were poorly trained to deal with terrorist attacks and that officers were several times slower in answering crime calls than their counterparts in the West.

"We have reached that sad state in which nowhere in India — including Delhi — can the police prevent the terrorists from striking at targets of their choice," Mr. Saxena said.

This perception has changed the lives not only of political leaders threatened by terrorists but of many residents of this city. Some say they have stopped traveling late at night and others say they no longer take long evening walks. Influential families also hire security guards for receptions and weddings, even if these are held at hotels.

One incident that caused much resentment here was a terrorist attack on a birthday party last month in which five persons were killed. Residents said they called three police stations within minutes of the attack but that the police did not arrive for nearly one hour. Meantime, the attackers hijacked a car and shot nine others, including those in the car, before escaping.



Judge Cecil Margo, who led the investigation of the crash that killed Samora Machel.

Report Cites Crew Errors in Machel's Death

JOHANNESBURG — A South African-led inquiry into an air crash in October that killed President Samora Machel of Mozambique found on Thursday that the plane's Soviet crew committed a series of errors and was to blame for the disaster.

Mr. Machel and 34 other persons died when the Tupolev aircraft crashed into a hillside just inside South Africa's border with Mozambique on a flight from Zambia to Maputo, the Mozambique capital.

The report said the crew failed to follow proper procedures for an instrument landing in darkness and cloudy weather.

"The crew appeared confused, bewildered," said Cecil Margo, a South African Supreme Court judge who headed the panel of six

including members from other nations.

The report had already been criticized by Mozambique and the Soviet Union. The Soviet Union said the account of the crew's errors was "totally ungrounded."

Mozambique has charged that South Africa installed a powerful decoy radio beacon to lure the aircraft off course. Judge Margo, at a news conference on the release of the report, rejected this.

ATTACK: Iran Fires on American-Operated Tanker

(Continued from Page 1)

out by a high-speed launch that caught up with the Peconic and "just opened fire."

Nine rocket-propelled grenades were fired, and the attackers reloaded and fired another nine, igniting a fire that was put out by the crew, he said.

The attack on the Peconic was apparently in retaliation for at least two Iraqi attacks this week on tankers near Kharg Island terminal in the Gulf's northern waters. Iran and Iraq at war for almost seven years, have attacked more than 200 ships.

Iran has retaliated with attacks on five merchant ships in the neutral southern waters of the Gulf.

Iran had halted its raids in the Gulf after an Iraqi missile struck the U.S. frigate Stark on May 17, killing 37 servicemen.

The U.S. Navy has eight warships in or around the Gulf. The Reagan administration says those ships will protect the reflagged Kuwaiti tankers.

The U.S. House of Representatives, voicing strong criticisms about a key element of President Reagan's Gulf policy, called Wednesday night for a 90-day de-

lay of the administration's plan to give U.S. protection to Kuwaiti oil tankers in the Gulf. The Washington Post reported.

In light of assertions by House and Senate leaders that Congress lacks the votes and the time to block the operation, which is scheduled to start in about a week, the 222-184 vote was seen as a largely symbolic effort to distance Congress from the administration's plan to escort 11 Kuwaiti tankers that will fly the U.S. flag.

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INQUIRY: North Shredded Evidence Until He Was Dismissed by Reagan

(Continued from Page 1)

ty, and then for someone to step forward and take the fall. Mr. Casey died in May.

He was concerned that the president not be damaged by it and I shared that view, Colonel North said.

Reading an opening statement, Colonel North portrayed himself as a merely a staff officer during his six years with the National Security Council.

"I did not engage in fantasy that I was the president or vice president or cabinet member or even the director of the National Security Council," he said.

Senator Daniel K. Inouye, the Hawaii Democrat who heads the Senate investigating committee, said the hearings were "neither pro-contra nor anti-contra." He said they were focusing on "a flawed policymaking process," and added, "I would hope that in our questioning and in our responses we would keep that in mind."

Colonel North is testifying under a congressional grant of limited immunity.

He testified that he was telling the truth to the investigating panel, even when he was confronted with a compendium of his previously acknowledged lies and deceptions. He was asked by a House Republican counsel, George Van Cleave, how investigators could know he was not now "lying to protect your commander in chief" — President Reagan.

Mr. Casey worried that someone senior in rank to Colonel North might have to become the scapegoat, and suggested Admiral Poindexter, Colonel North recalled.

Colonel North began the day's testimony by criticizing the joint Senate-House hearings as unfair and damaging to the national interest. He said congress must shoulder the blame for a "fickle, vacillating, unpredictable" policy toward the Nicaraguan rebels.

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"Of one thing I am certain," he told the congressmen. "You will not investigate yourself in this matter."

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HAWKE: Australian Campaign Marked by Growing Discontent of Voters

(Continued from Page 1)

power in the Senate, the upper house of Parliament.

The Senate has 76 members who are elected under a system of proportional representation; it has the power to delay or block legislation passed by the House of Representatives.

leader, has defended his government's record.

Mr. Hawke said that a combination of financial deregulation, limited income tax cuts, substantial reductions in public spending and good relations with business and unions has helped restore Australia's international competitiveness and has held wage increases below the level of inflation.

mined, better educated and higher skilled Asian neighbors."

The Labor government's claims to be a responsible manager of the economy received some support that the budget deficit for the financial year ending June 30 would be 2.7 billion Australian dollars (\$1.9 billion), nearly 800 million Australian dollars lower than projected.

wanted to see further cuts in government spending.

But they added that the cuts should be directed toward reducing interest rates and the budget deficit rather than toward underwriting tax cuts that have been proposed by the opposition.

An editorial Tuesday in The Australian, a national newspaper, said there was a consensus that the "campaign now plodding towards its conclusion is the most boring in living memory."

The opposition's tax-cutting plan, Mr. Hawke alleges, would favor the rich and be a "recipe for economic disaster."

During the campaign, many people have expressed concern about the future of Australia, a nation that until recently referred to itself as the "Lucky Country" because of an abundance of natural resources, including agricultural products and minerals.

Paul Keating, the Labor government's treasurer, said that the lower-than-expected deficit should pave the way for cuts in interest rates.

The centerpiece of the opposition's campaign has been a pledge to reduce personal and company taxes sharply early next year and to abolish capital gains and other taxes that are said to stifle productive investment.

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John Howard, a lawyer who leads the Liberals, the largest opposition party, has campaigned on a platform that he says offers Australians smaller government, lower taxes, reduced trade union power and greater incentive for individual enterprise.

But Mr. Hawke, a former union

But a decline in demand for many of Australia's main exports in the past few years has been a major contributing factor to the country's economic problems.

Malcolm Fraser, a former Liberal prime minister, said Wednesday that Australia's net overseas debt of more than \$100 billion had reached "banana republic proportions."

Unemployment is running at about 10 percent and joblessness among young people at almost 24 percent.

But the Australian Financial Review, a leading business newspaper, said Thursday that the opposition had been put on the defensive by divisions in opposition ranks, a serious mistake by the Liberals in calculating their tax plan and widespread doubts that such a proposed tax plan would be followed by the necessary cuts in government spending.

Mr. Hirschfeld has been accused of violating Securities and Exchange Commission anti-fraud provisions in a separate case.

A spokesman for the House subcommittee chairman, Stephen J. Solarz, Democrat of New York, said that Mr. Hirschfeld's legal difficulties were "a concern to us."

As a result, the newspaper said, attention in the campaign had been diverted from some of the main economic issues.

Australia's two leading employer groups said last week that they

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U.S. Reduces Its Presence At UN Trade Conference

By Paul Lewis
New York Times Service

GENEVA — The Reagan administration is downgrading its representation at a major conference of the world's rich and poor nations in what appears to be a further demonstration of its displeasure with the United Nations system and demands by Third World countries.

The meeting, a session of the UN Conference on Trade and Development, opened Thursday. The organization is the principal world forum for debating North-South economic differences.

WORLD BRIEFS

South Africa White Group Meets ANC

DAKAR, Senegal (Reuters) — A delegation of about 50 white South Africans expressed solidarity Thursday with members of the outlawed African National Congress in the crusade against apartheid.

At the opening of talks, Frederick Zyl Slabbert, the South African group leader, and Thabo Mbeki, the publicity director of the African National Congress, the main underground movement fighting white minority rule in South Africa, shared a militant anti-apartheid platform.

Mr. Slabbert said the visit was largely informational. "We have come here not only to talk to our companions, but to find out more about the continent we live in," he said. "We do not see ourselves in a position to negotiate because we simply do not have the power." Mr. Slabbert, a former leader of the liberal white opposition in the South African Parliament, has been condemned by white South African rightists for courting what they call "terrorist organizations."

The delegation includes liberal politicians, academics, writers and businessmen. Mr. Slabbert said he wanted them to share ideas with the African National Congress and "break out of the cocoon of ignorance." He added that "the ANC must have a role in a peaceful solution to South Africa's bitter racial conflict, although we have difficulty understanding some of the movement's ideologies and strategies."

Kurdish Rebels Slay 20 in Turkey

ANKARA (Reuters) — Kurdish insurgents killed 20 persons, 11 of them children, in two villages of southern Turkey on Wednesday night, hours after Prime Minister Turgut Ozal urged the rebels to give up their struggle, the Associated Press reported.

The semi-official Turkish news agency said separate groups of 20 to 25 militants attacked the villages of Puzosun, near Idli town, and Yavuz, near Midyat town, both in Mardin Province.

The killings occurred less than three weeks after the slaying of 20 people at Pinarbekir village, also in Mardin.

Peres, Mubarak Discuss U.S. Proposal

GENEVA (Reuters) — Foreign Minister Shimon Peres of Israel and President Hosni Mubarak of Egypt, during almost two hours of talks here Thursday, discussed a U.S. "working paper" outlining some elements of an international peace conference on the Middle East, said Mr. Peres.

"The fact that there is an American document reflecting views shared common to Israel, Egypt and Jordan is quite an achievement," Mr. Peres said. "Of his meeting with Mubarak," he said: "We have made progress. We have encountered difficulties, but I am leaving with a sense of progress."

They agreed that Foreign Minister Ezer Weizman of Israel would visit Israel in two weeks, an Israeli spokesman said. Israeli and Egyptian officials said the two main obstacles to calling an international conference on the Middle East were what role the Soviet Union should play and how the Palestinians should be represented.

Later Thursday, during a reception for the United Nations Conference on Trade and Development, Mr. Mubarak said: "The Soviet Union must be part of an international conference because it is the second world power and could be a good guarantor."

At Least 50 Die in India Train Plunge

NEW DELHI (UPI) — At least 50 persons were killed and many were missing after 14 cars of a New Delhi-bound express train were derailed Thursday on flooded tracks and fell into a river in southern Andhra Pradesh state, the Press Trust of India said.

Many other passengers were unaccounted for and presumed trapped in two cars in the riverbed, the agency said. Rescue workers said they thought 20 passengers were trapped in another car and an unknown number of passengers in cars they have been unable to reach.

The number of passengers were unknown. The train was derailed near Mancherial, about 670 miles (1,110 kilometers) south of New Delhi.

U.S. Halts Toshiba Shipping to Japan

WASHINGTON (Continued Dispatches) — Shipments from the United States to Toshiba Corp. of Japan have been curbed while the U.S. government checks its export policies, the Commerce Department said Thursday.

The U.S. Senate voted last week to restrict imports by Toshiba Corp. after its subsidiary, Toshiba Machine Co., was found to have illegally diverted high-technology equipment to the Soviet Union between 1982 and 1984 that enabled the Soviets to make quieter submarines.

Toshiba Machine Co. is a Japanese company's U.S. subsidiary, and Toshiba Corp. is a Japanese company's U.S. subsidiary. Toshiba Machine Co. is a Japanese company's U.S. subsidiary, and Toshiba Corp. is a Japanese company's U.S. subsidiary.

For the Record

William W. Williams Jr., a U.S. appeals court judge in South Carolina, is under consideration to succeed William H. Webster as FBI director, a White House spokesman said Thursday. (UPI)

In a diplomatic victory for Israel, a majority of former members of the UN War Crimes Commission now favor opening the commission's files on Nazi criminals to the public. UN officials said Wednesday. (NYT)

TRAVEL UPDATE

French Air Controllers Reject Offer

PARIS (Reuters) — Transport Minister Jacques Douffignou offered a plan on Thursday to end the 12-week dispute with French air traffic controllers, but union leaders walked out of a meeting with him after less than an hour, calling the plan a "provocation."

The unions said they would continue the brief early-morning stoppages they have carried out daily at French airports since April 21 in support of demands on pay and promotions.

The minister said at a news conference that he would propose to create a private air traffic control agency and offer existing controllers the choice of joining the new body or remaining in the public sector. The change would allow the government to offer increases in salary and pension to those choosing private status without risking the spread of the measures to other public sector enterprises.

Two ferries collided in fog on Long Island Sound in New York City Thursday, injuring at least 17 persons, two seriously. The North Star and the Cape Henlopen, both belonging to the Cross Sound Ferry Co., which makes regular runs between New Haven and Orient Point on the eastern tip of Long Island. (UPI)

LEGEND: Zero-Inflation Myth Crumbling for Swiss

(Continued from Page 1)

fall in oil prices last year, fell late one time for them to feel it. But they're impatient."

A Geneva nurse and mother of one who didn't want her name used thinks that sort of impatience is understandable. "It's just not true that there's no inflation in Switzerland. Prices may go up unannounced, by 5 to 10 centimes at a time, but they're rising even so. The other day, a coffee cost me 20 centimes more."

Bank in Zurich, the central bank, who keep inflation low, principally by their tight monetary policy, admit that inflation is a mile more than zero, but not really something to worry about — at least for now.

"Well, we never really had minus 0.1 inflation," said George Rich, the bank's chief economist. "But it's true that it did fall almost to zero at one point, and is now around 1 percent."

across Europe this year, only West Germany and the Netherlands are projected to have a rate similar to Switzerland's, at 1 percent.

Is there any place a Swiss resident could go these days to escape inflation? Union Bank economist predicts Japan, where 1987 inflation is projected at — what else? — zero percent.

But, then again, inflation is relative. In the dark days of 1974, during what is known now as "The First Oil Shock," prices in this country skyrocketed by 10 percent. And even that figure is the stuff of dreams in some developing countries, where the price of coffee or just about everything else might not go up a few cents but a few dozen or even a couple of hundred percent. In Yugoslavia and Argentina, annual inflation is running at around 100 percent, and in Brazil it has touched 1,000 percent.

Mr. Rich says that this is the level the national bank would like to maintain, though it may well fall. He predicts a rising inflation rate this year, while the Union Bank of Switzerland projects inflation will hit 1.5 percent this year and then "skyrocket" to 2 percent in 1988.

Mr. Stepanyan and Mr. Rich concur that prices for insurance and other services and products are going to keep climbing by more than 1 percent a year.

So does this mean economic disruption, declining confidence, emergency meetings of the government, rising tensions? Mr. Stepanyan thinks not.

"Inflation isn't that big an issue now because the rate is still fairly low," he said.

That possible crisis point may be some way off. While the Union Bank analysts see rising inflation,

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Covert Operations, Overt Lies

Congress and the Public Came Second to Contra Cause

By R.W. Apple Jr.
New York Times Service
WASHINGTON — To the White House that Lieutenant Colonel Oliver L. North has pictured during his testimony this week, the world was an arena for unrelenting ideological struggle, where seemingly major questions were never asked and where much of the rest of official Washington was seen as thoroughly untrustworthy.

Colonel North portrayed himself as a main member of a little band of patriots which, despite immense obstacles, managed to keep alive the Nicaraguan insurgency. The band included pilots on clandestine missions; the director of central intelligence, William J. Casey, and a few private citizens.

They were effective, he testified, despite a bureaucracy that resisted their efforts, an executive branch that was full of critics of their tactics and a Congress that balked.

He expressed not the slightest regret at his role in overriding opposition. He conceded that he and other staff members at the White House had systematically lied to and misled committees of Congress trying to discover what was going on; that made him "uncomfortable," he said, but he did it again and again.

Colonel North said that without "a handful" of brave people working under his general direction who kept American aid flowing to the contra rebels in Nicaragua, the contra would have disappeared during the period when Congress had banned direct or indirect military aid to the rebels — when, as the colonel said, "the Congress didn't care." Then he apologized for the last phrase.

The burden of his testimony was that he and his "superiors" — whom he assumed at the time to

include President Ronald Reagan — felt that American national security was at stake in the Nicaraguan operations, and that they were the sole competent judges as to what would best promote that security.

In the interest of furthering their policy, he suggested, it was legitimate to lie to Congress and the public.

In "a dangerous world," Colonel North said, there was no other way

NEWS ANALYSIS

to operate. There were, he said, "lies and lies," and he implied that it was preferable to lie to Congress than to risk leaks.

That infuriated Senator Daniel K. Inouye, Democrat of Hawaii and the chairman of the Senate investigative committee, who asserted that far more leaks had come from the executive branch of government than from Congress.

A particularly revealing exchange took place when Colonel North explained that the White House had tried to comply with the terms of the Boland amendment banning U.S. government involvement in providing military aid to the contra. But, he said, he and his colleagues had found it "very hard" to live up to the law.

What he did not say was that they found it hard precisely because they were trying to find ways — through the use of private citizens acting as the government's best kept secret — to do what Congress had sought to prevent, because they considered the congressional view wrong.

In a sense, Colonel North's sharp exchanges with John W. Nields Jr., the House committee counsel who conducted the interrogation, repre-

sented another chapter in the prolonged struggle, which dates back at least to the mid-1960s, over who controls American foreign policy.

He argued, as have presidents and other presidential aides, that the executive branch is supreme. Mr. Nields argued that Congress had a role as well and that the public had to know what was going on so that it could make intelligent decisions in the nation's elections.

But Colonel North pushed the argument to its limits. He could not or would not say where his orders came from, except to talk vaguely about "my superiors."

And yet he pictured himself as a kind of martyr in the anti-Communist cause, who had given his all, who had even been prepared to swallow a poison pill if need be, and yet could not even arrange government protection for his wife and family when, by his account, they were the target of Arab terrorists.

The Marine spoke in the language of the zealot. Those allied with him in his cause were "patriots," "freedom fighters," people who could cut through the niggling concerns of the bureaucracy. Those who opposed him were dupes or incompetents or worse.

His world view and that of his colleagues, as he pictured it, allowed no room for honest differences of opinion on strategy, on tactics, on honor or propriety. He described a black-and-white world, a world of melodrama.

Did he ever ask specifically whether Mr. Reagan approved of what he was doing? Did he ask for an accounting of what had happened to the proceeds from the Iranian arms sales?

No, he told the committee, he did not, because he was confident of the people he was dealing with.



Colonel North and his wife, Betsy, on their way to Thursday's hearings. It was Mrs. North's first day in attendance.

It was enough that Richard V. Secord, a retired air force major general, was a West Point graduate, Colonel North said. It was not necessary to ask him to explain what he had done with millions in arms revenues.

In the value system that the colonel described, especially by implication, the very clandestineness of an operation sometimes seemed to be its justification. The nature of

clandestine operations, he argued, was untruth.

He appeared impervious to the notion, which Mr. Nields kept pressing upon him, that clandestine activities could be unwise or even illegal, even when those who had conceived them honestly thought otherwise.

That stance, it might be argued, is the root cause of the entire Iran-contra controversy.

Casey's Associates Say North Sounds Plausible On Genesis of Events

By Bob Woodward
Washington Post Service

WASHINGTON — Officials and sources who worked with William J. Casey say that Lieutenant Colonel Oliver L. North might have been right when he testified that the director of central intelligence was the guiding hand behind secret Iran-contra operations.

By Colonel North's account on Wednesday to the House and Senate committees investigating the Iran-contra affair, Mr. Casey was effectively his personal case officer from 1984, when the secret contra-supply operation took form, until early November 1986.

At that time, on the eve of public disclosure of the affair, Mr. Casey suggested that it was time to "get rid of things, clean things up."

The plan, the colonel said, was "almost drawn up" by Mr. Casey. Colonel North said that Mr. Casey had been fully informed about the plan, supported it and was "effusive" in praising it. Mr. Casey, he said, called the operation "the ultimate irony, the ultimate covert operation."

The colonel said he informed Mr. Casey in February 1986 of the diversion of profits to the contra.

The officials and sources who worked with Mr. Casey said Colonel North's description was consistent with Mr. Casey's fierce anti-Communism, his secretiveness as CIA director and his willingness to circumvent the normal government bureaucracy. Several of these sources also noted that Mr. Casey, who died in May, is a convenient cover and scapegoat for Colonel North.

The other person Colonel North identified as intimately familiar with his work for the contra was Admiral Arthur S. Mooreau Jr., who was assistant to the chairman of the Joint Chiefs of Staff from 1983 until October 1985. Admiral Mooreau died of a heart attack in December.

Colonel North has acknowledged that he lied repeatedly — to the Iranians, to Congress and others — in what he deemed to be the higher national security interests of the United States and the need to achieve "plausible deniability" for the covert operations in which he was engaged.

Nonetheless, he has repeatedly insisted in two days of testimony that he is now telling the truth. Several of Mr. Casey's closest CIA associates said they could neither confirm nor refute Colonel North's claims.

An associate of Mr. Casey said, "There was never any way to tell everything Bill was up to."

Colonel North said Mr. Casey had a hand in many of his activities. For instance, he said, Mr. Casey suggested that he set up an "operational account" to handle cash expenditures to and for the contra, and provided the ledger in which he kept a record of every penny that went in and out.

This became the catch-all fund of \$175,000 for travel, payments to contra leaders and even, according to Colonel North, activities inside Nicaragua.

Colonel North, who ran this operation out of his third-floor office in the Old Executive Office Building, said "money was mailed from this account to addresses in Caracas, San José, Tegucigalpa, and San Salvador, among other places, to support activities inside Managua."

He insisted that the traveler's checks from this account that he cashed represented reimbursements of advances he contributed to the fund. The ledger he kept would verify that, Colonel North indicated, but he destroyed it at Mr. Casey's suggestion in early November 1986, just a day or two after the secret Iran arms sales were exposed publicly.

Colonel North quoted Mr. Casey as telling him, "Get rid of that book because that book has in it the names of everybody, the addresses of everybody, just get rid of it, clean things up."

"When he told me to do so," Colonel North testified, "I destroyed it."

He said that Mr. Casey functioned as the personnel manager of the secret contra-supply operation, recommending in 1984 that he enlist a retired air force major general, Richard V. Secord, to run key aspects of the operation outside the government and beyond the oversight of congressional intelligence committees.

General Secord previously testified that he did not meet Mr. Casey until 1985, but at their first meeting, Mr. Casey said he knew much

about General Secord's background and work. General Secord declined to comment on Wednesday whether Mr. Casey had suggested him to head the private network.

In 1983 the CIA declined to give General Secord a security clearance. Two sources Wednesday questioned whether Mr. Casey would have recommended someone for a sensitive position who did not have clearance and whom Casey had not met personally.

Mr. Casey also functioned as intelligence officer for Colonel North, according to the marine officer's testimony. For example, he said, Casey told him that the key Iranian middleman, Manucher Ghorbanifar, was "an Israeli agent."

Colonel North said Mr. Casey warned him that his calls from the National Security Council staff office to Central America were being intercepted by the Soviet secret police from a Cuban listening post.

At another point Mr. Casey recommended that two contra arms brokers not be used because one might be transferring technology to East bloc countries and the other might have been involved in using U.S. economic aid funds to buy arms, Colonel North testified.

Mr. Casey also provided legal advice, according to Colonel North. The director, he said, told him that the National Security Council staff was not covered by the prohibitions of the so-called Boland amendment that restricted government support to the contra. In November 1986, Colonel North said, Mr. Casey recommended that he obtain a lawyer to handle a possible civil suit from the financiers involved in the Iranian arms sales.

Colonel North described an intimate relationship with Mr. Casey, who shared everything from books to advice. They traveled together and discussed expanding the covert network.

"Director Casey and I talked at length on a variety of occasions about the use of those monies to support other operations besides the Nicaraguan operation," Colonel North testified.

When Congress resumed contra funding as expected, Colonel North said, "it might be necessary at some point in the future to have something, as he would put it, to pull off the shelf and to help support other activities like that."

Israel Denies Any Role In Funding of Contras

JERUSALEM — Israel denied Thursday suggestions by Lieutenant Colonel Oliver L. North at the Iran-contra hearings in Washington that it was Israel's idea to transfer profits to Nicaraguan rebels from U.S. arms sales to Iran.

"On the contra issue, we have stated before that we had nothing to do with it," a Foreign Ministry spokesman said. "Israel never sought, delivered, or transferred either funds or weapons to the contra."

Asked in an interview how she thought the public would accept her disclosure as she campaigned around the country for her husband at a time when the political landscape seems filled with squeaky-clean candidates, she said: "There isn't anybody who's plastic-perfect. That's a myth."

Although his campaign office was in turmoil for some time trying to decide how to handle Mrs. Dukakis's secret, a secret so tightly held that even many of the governor's closest aides were taken by surprise, the governor left the decision up to his wife.

Asserting that he was proud of his wife, the governor said, "Her condition, her ability to deal with this dependency has no relevance to my fitness to be a candidate."

"I don't think what Kitty has done today will hurt or help," he said. "Our lives are open books and so are those of our families. I personally think there is a line that candidates can and should draw between their own lives and those of their loved ones. But people ask questions at a time like this and I think the best policy is to be as straightforward as possible."

There were precedents, of course. The year after President Gerald R. Ford left the White House, his wife, Betty, admitted that she was undergoing treatment for alcohol and drug abuse. Joan Kennedy gave an account to McCall's Magazine in 1978 about her bout with alcoholism, the year before she reconciled with her husband, Senator Edward M. Kennedy, and campaigned with him.

Most political consultants seemed to think that, if handled properly, Mrs. Dukakis's past problem would not create difficulties for her husband's campaign.

"I would think that to the extent that anyone is paying attention to the presidential campaign, they would be impressed and respectful that someone would come forward like this," said a Democratic poll taker, Harrison Hickman.

In Rallies and Radio Polls, Americans Exclaim: 'We Love Ollie'

Compiled by Our Staff From Dispatches
WASHINGTON — Nearly 100 people, chanting "We love Ollie," rallied at the state Capitol building in Utah in support of Lieutenant Colonel Oliver L. North, while thousands of other Americans called him a hero and a patriot as he continued testimony on the Iran-contra affair.

"To many Americans, Ollie North is either the biggest hero in America or the biggest criminal," said Roger Mecham of Sandy, Utah, during the demonstration Wednesday in Salt Lake City. "I think he's the biggest hero."

Some Americans voiced reservations about the former National Security Council aide as his testimony before a congressional investigating committee entered its third day.

But most of those participating in call-in shows on radio and television backed the 43-year-old marine officer.

The chief White House spokesman, Martin Fitzwater, said Thursday that the White House switchboard had been "deluged with more calls than normal" since Colonel North began testifying Tuesday, with about 2,000 people ex-

pressing support for him and about 83 people voicing opposition.

Also Thursday, two men protesting U.S. support for anti-government rebels in Nicaragua disrupted the Iran-contra hearings by trying to unfurl a white banner and shouting at the congressional panel.

"He admitted he made some poor judgments, but he is still a patriot," she said.

In Florida, the Orlando Sentinel conducted a phone-in poll asking "Is Oliver North a hero or a villain?" By Wednesday evening, a majority of more than 5-1, or 3,925-783, said they felt that Colonel North was a hero, according to the editor of the newspaper's editorial page, Wendy Spirduso.

in Salt Lake City, Deborah Thomas of Provo, Utah, said that Congress acted wrongly in barring military aid to the Nicaraguan rebels, and that Colonel North had tried to correct that mistake.

"He admitted he made some poor judgments, but he is still a patriot," she said.

In Florida, the Orlando Sentinel conducted a phone-in poll asking "Is Oliver North a hero or a villain?" By Wednesday evening, a majority of more than 5-1, or 3,925-783, said they felt that Colonel North was a hero, according to the editor of the newspaper's editorial page, Wendy Spirduso.

At Seattle's KING radio, a switchboard supervisor, Ellen Neel, said that dozens of listeners had phoned. "It's both ways," she said. "Some people want to give money to him, and I've had people call him names, to say the least."

Asked in an interview how she thought the public would accept her disclosure as she campaigned around the country for her husband at a time when the political landscape seems filled with squeaky-clean candidates, she said: "There isn't anybody who's plastic-perfect. That's a myth."

Although his campaign office was in turmoil for some time trying to decide how to handle Mrs. Dukakis's secret, a secret so tightly held that even many of the governor's closest aides were taken by surprise, the governor left the decision up to his wife.

Asserting that he was proud of his wife, the governor said, "Her condition, her ability to deal with this dependency has no relevance to my fitness to be a candidate."

"I don't think what Kitty has done today will hurt or help," he said. "Our lives are open books and so are those of our families. I personally think there is a line that candidates can and should draw between their own lives and those of their loved ones. But people ask questions at a time like this and I think the best policy is to be as straightforward as possible."

There were precedents, of course. The year after President Gerald R. Ford left the White House, his wife, Betty, admitted that she was undergoing treatment for alcohol and drug abuse. Joan Kennedy gave an account to McCall's Magazine in 1978 about her bout with alcoholism, the year before she reconciled with her husband, Senator Edward M. Kennedy, and campaigned with him.

Most political consultants seemed to think that, if handled properly, Mrs. Dukakis's past problem would not create difficulties for her husband's campaign.

"I would think that to the extent that anyone is paying attention to the presidential campaign, they would be impressed and respectful that someone would come forward like this," said a Democratic poll taker, Harrison Hickman.

Mrs. Dukakis Puts Secret in the Open

By Maureen Dowd
New York Times Service

BOSTON — When her husband found a bottle of her diet pills and confronted her in 1975, Kitty Dukakis told him she would stop using drugs. She tried but she could not. She just found better places to hide her pills.

In 1982, when Michael S. Dukakis found a receipt from a doctor for more diet pills and again asked his wife to stop, she knew she had to get professional help to break a habit that had become suffocating.

"I felt that everything I had ever done — every award or positive aspect of my life — had taken place as a result of amphetamines," she said as she sat in the book-filled living room of her home in suburban Brookline.

Mrs. Dukakis, 50, wife of the governor of Massachusetts who is now a Democratic presidential candidate, on Wednesday disclosed a painful secret she had kept for three decades: that she had been dependent on amphetamines for 26 years, until she entered a

treatment program and stopped using the drugs five years ago.

It was, even for a presidential campaign that has been shaped by personal disclosures and dark gossip, an extraordinary day.

She first told of her former habit while speaking at the Southwood Community Hospital in Norfolk, which was dedicating to Mrs. Dukakis its new unit for treatment of adolescent substance abuse.

As she talked, her husband, who is known for his reserve, cried.

"It was 1956," she told the hushed crowd. "I was 19 years old. I wasn't fat but, like many women then and now, I worried about my weight. I went to a doctor who prescribed amphetamines. Other doctors continued to prescribe them over the years. Twice I tried to quit."

"Michael didn't know. I was already taking the pills when I met him. Pills are easy to hide and I hid them. But above all, I didn't tell my husband because I knew if I did, I would have to confront my dependency. I would have to stop. I was afraid I couldn't stop."

KOREA: 300,000 Protest

(Continued from Page 1)

Kim Dae Jung, one of the most prominent opposition leaders.

The move, one of the concessions announced last week, means that Mr. Kim apparently will be able to run for president in direct elections that the government has promised by February.

On Wednesday, the government released what it said was a majority of the political prisoners detained since President Chun Doo Hwan came to power in 1980.

The restoration of political rights to the dissidents, who had served sentences for a variety of offenses, and the release of 357 convicted dissidents Wednesday was the first important step toward fulfilling Mr. Chun's promise of amnesty for most political prisoners.

The day began with a huge march, almost a pageant, of several hundred thousand people mourning the death of Lee Han Yul, a university sophomore who died Sunday after he was hit in the head by a tear-gas grenade last month.

Local residents and foreign analysts said it appeared to be the biggest demonstration in South Korean history, rivaled only by the rallies in April 1960 that led to the resignation of President Syngman Rhee.

Meanwhile, in the southwestern city of Kwangju, Mr. Lee's hometown, up to 200,000 people participated in a funeral procession.

Though nominally organized to mourn the death of Mr. Lee, the demonstrators Thursday were clearly focused on attacking the government "down with the dictatorship" and "down with America."



Kitty Dukakis discussing her dependency on diet pills.

Head of Senate Judiciary Committee Pledges to Lead Fight Against Bork

By Kenneth B. Noble
New York Times Service

WASHINGTON — Senator Joseph R. Biden Jr., chairman of the Judiciary Committee and a Democratic presidential contender, has assured those opposing the nomination of Judge Robert H. Bork to the Supreme Court that he would lead the fight against Judge Bork's confirmation.

The remarks were made at a private meeting Wednesday called by Mr. Biden to convey his position to leaders of civil rights groups, who are marshaling for an all-out battle to defeat the nomination.

Peter F. Smith, a spokesman for the Judiciary Committee, confirmed that Mr. Biden "intends to oppose the nomination and to lead the effort against it in the Senate." But the spokesman said the Delaware senator "does not plan to formally announce his opposition until he has a chance to spell out his

reasons in detail in a series of speeches, which he plans to begin next week."

The Judiciary Committee has jurisdiction over judicial nominations, and Mr. Biden announced Wednesday that hearings on the nomination would not begin until Sept. 15, almost assuring that the court will have a vacancy when the next term begins on Oct. 5.

The announcement drew an immediate protest from committee Republicans, who have been pushing for a final vote on the nomination before the new term begins.

When told of the decision not to begin hearings until September, Marlin Fitzwater, the chief White House spokesman, said, "We hope they will reconsider, because we would sure like to start the new term with a full court."

Mr. Biden's assurances that he would oppose the nomination represented an important shift by the

powerful liberal Democrat that could add to pressures on uncommitted senators, presidential candidates and other prominent Democrats to take early positions on Judge Bork's nomination. In the past, Mr. Biden has sought to avoid a politically and ideologically partisan approach to judicial nominations.

Some liberal and civil rights groups say that stopping Judge Bork's nomination will be their major priority of the Reagan era.

Judge Bork, who sits on the U.S. Court of Appeals for the District of Columbia, is known to have conservative positions on such issues as abortion, capital punishment and government aid to religious schools. It has been widely assumed that, if seated, he would tip the balance of the Supreme Court to the right for years to come.

A civil rights official who attended the meeting Wednesday said that Mr. Biden "considers the confirmation fight so important that he's willing to work on this, and not on the presidential campaign."

Mr. Biden, at a news conference, promised a "full and thorough and fair" review of Judge Bork's qualifications.

"This is probably the most significant Supreme Court nomination in the last several decades, and arguably in this century," Mr. Biden said.

A primary issue, Mr. Biden said, is whether the Reagan administration's agenda would be accomplished through the court, and whether Judge Bork had been picked to accomplish it.

U.S. Bars Using Soviet Launches

The Associated Press

WASHINGTON — U.S. law prohibits the use of the Soviet Union's new commercial launching service to send into space satellites or other payloads that contain American technology, according to the State Department.

Companies in the United States have been advertising Soviet launch services as an alternative to the American space shuttle system. The U.S. system has been out of

service since the January 1986 explosion that destroyed the Challenger shuttle and killed seven astronauts.

The State Department said this week that Soviet officials involved in Moscow's commercial launch proposals had been "clearly informed of the longstanding prohibition on the transfer of U.S. space technology to the Soviet Union" and that "no change is contemplated."

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The Latin Untouchables

Panama and Haiti have abruptly become the most visible battlegrounds in a hemisphere-wide struggle between civilian democrats and military leaders who defy accountability. The "untouchables" in Panama is General Manuel Antonio Noriega, who rules through civilian figureheads. In Haiti, the junta leader is Lieutenant General Henri Namphy. But these are not the only sites of the struggle. From Argentina to Guatemala, military officers increasingly treat elected leaders on sufferance — a reality swept from view by a Reagan administration too eager to paint democratic gains in bold, sunny colors.

The most significant battleground is Argentina. A year ago it appeared on the way to becoming the first Latin American republic to hold soldiers accountable for bloody excess. After his landslide 1983 election, President Raúl Alfonsín broke with precedent by naming a blue-ribbon commission to report on abuses committed during the "dirty war" against terrorism a decade ago.

The report led to the trial of former junta members, and to charges against hundreds of other officers. But this Easter, the government had to turn to the generals to quell a barracks revolt. In return, Mr. Alfonsín felt compelled to agree to an amnesty of all but 50 officers, dropping charges against those who merely "obeyed orders."

Tellingly, the day after the amnesty was enacted, the new army chief of staff called for further concessions to ally military fears. This was followed by reminders of

horrors past, like bombs exploded at offices of the ruling Radical Party in four cities and the murder of a leftist in Buenos Aires.

When Argentine civilians are forced to retreat, the ripples reach distant Guatemala, where a Christian Democrat, Marco Vinicio Cerezo, heads the first civilian government since 1966. After 18 months, President Cerezo has yet to act on promises to carry out an inquiry into allegations of brutal massacres, especially of Indians.

In El Salvador, another Christian Democrat, President José Napoleón Duarte, has stalled for three years on naming a commission he promised to inquire into mass killings. Salvadoran courts have not convicted a single officer for killing civilians, among them three American nuns and a lay worker.

In Peru, an elected civilian president, Alan García Pérez, is boxed in by a military calling a savage war against fanatic leftists calling themselves the Shining Path. In Uruguay, a new democratic government wrestles with its conscience, and a widespread petition drive, after agreeing to overlook what happened during a ferocious campaign in the 1970s against urban guerrillas.

It is not all the fault of the generals; some see themselves as duty-bound to protect social order when civilians prove too timid. But until there is greater maturity among the soldiers, and courage among the political leaders, the new democracies cannot deepen their roots. That is what Washington should be saying as it boasts of democratic gains.

— THE NEW YORK TIMES

Oliver in Wonderland

It was necessary for Lieutenant Colonel Oliver North to have the chance to address allegations that he had taken personal gain from the covert operations in which he had a part. It afforded him the opportunity, which he used to the hilt, to present a portrait of himself as a brave, selfless, honest and much put-upon man whose life and family had been under terrorist threat. His testimony on issues of personal conduct may not have been the last word: He observed that he still faces the "extraordinary, unbridled, enormous investigation" of an independent counsel, and there will be further questioning by the committee.

But Colonel North's personal character, though an interesting subject, is not the central issue before the committee. The essential purpose of the hearings is to provide a full public account of what happened in the Iran-contra affair, an account that will get to the bottom of the abuses of secret power that marked the government's action. So it was that Colonel North's second day of testimony, though it went heavily into his personal conduct, began also to cut toward core issues of the process and substance of policy.

By virtue of his talents and the recognition they brought him, Colonel North operated on a stage far grander than someone of

his rank normally could command. He is satisfied that what he did was 1) right, 2) known and approved by higher authority and 3) legal. On Wednesday, he remained unshaken in his insistence on his own rectitude — aside from the admitted error of backdating documents on his home security system. The "lies" he admitted giving to Congress he sought to excuse by citing the "fives" supposedly saved by telling them — a self-serving reading powerfully challenged by the Senate committee chairman, Daniel Inouye, Democrat of Hawaii.

The witness's assertion that his every act was approved began taking the hearings to the vital and politically volatile question of specifically who did the approving. On Wednesday, some names were named.

On the subject of the Boland amendment, far from conceding error, Colonel North depicted the turn to new means of financing as a way to comply with, as he understood it, Boland's ban on the use of appropriated funds for an intelligence operation. This is the working and still current North view. But it is pure Alice in Wonderland. The whole apparatus of concealment that the Reagan administration constructed around its secret operations belies the contention that there was no problem of law.

— THE WASHINGTON POST

Remember the Voiceless

News of street violence in South Africa commands attention, but less is known about the treatment of political detainees in that country. Recently, the Lawyers' Committee for Civil Rights Under Law sponsored visits by a number of South Africans, some of whom have been in prison, to tell their stories to the American public.

A state of emergency has existed in South Africa since June 1986. Since then, an estimated 25,000 people have been arrested without charge and held for indefinite periods of time. The Lawyers' Committee South Africa Project, which for two decades has been providing American support for legal assistance to political prisoners in that country, has financed the defense of 1,000 of those arrested. Their individual stories are moving, and the overall picture they present is terrible. One witness after another told of surprise roundups, raids on homes, schools and work places, arrests without explanation. Some prisoners were tortured, others held in solitary confinement and all suffered the frightening un-

certainty of indeterminate confinement.

The Lawyers' Committee estimates that 40 percent of those who have been arrested are under 18, and a few are as young as 8. Their families are not always notified of their whereabouts, and the young, once in custody, are held with, and treated as, adults. They are not entitled to visits from parents, lawyers or independent doctors.

The political detention of youngsters is a particularly repulsive aspect of the crackdown in South Africa, but such injustice is no less acceptable for adults. We are not talking about people who have been charged with and tried for crimes. These people have lost their liberty because of a speech, an opinion, a club membership. They are kept for as long as the police choose to keep them. South Africa is not the only place in the world where this happens, but it is a country where international pressures have some effect. Americans must continue to protest on behalf of those who have been silenced.

— THE WASHINGTON POST

Other Comment

Bork: A Question of Ideology

The nomination of Judge Robert Bork to the U.S. Supreme Court poses a threat. In almost every context — remedies for racial discrimination, access to the courts, abortion, contraception, women's rights, protection for free expression, constitutional protections for the accused — Judge Bork has condemned the Supreme Court's efforts. His conception of the judicial function as controlled by the original intent of the Framers would keep the constitution in knee breeches and livery.

— Herman Schwartz, a professor of constitutional law at the American University, writing in *The New York Times*.

Robert Bork is one of the nation's top legal scholars. He won the highest possible rating from the American Bar Association when he was nominated to his present job on the appeals court in Washington. He should serve with equal distinction on the Supreme Court if the Senate confirms his nomination.

— From a column by Coretta Scott King.

As it should, the Senate simply has no valid reason to reject Judge Bork without invoking ideological litmus tests of the type that have been scorned by the American people ever since Franklin D. Roosevelt tried to pack the court with pro-New Deal appointees.

In short, the liberal opposition to Judge Bork is based solely on the fact that he is a judicial conservative. Even more basically, the ideological assault against Judge Bork mocks the expressed will of the American people, who twice chose a president who campaigned on a promise to nominate judicial conservatives to the bench.

— *The Denver Post*.

The Senate has long given Supreme Court nominees a free pass on their ideological qualifications. The obligation to consider the ideology of nominees as regards their legal views is implicit in the confirmation process. In the interests of balance, moderation and the integrity of the Supreme Court, the Senate should reject Judge Bork's nomination.

— From a column by Coretta Scott King.

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The Best Form Of Defense Is A Real Defense

By Anders Boserup and Robert Nield

CAMBRIDGE, England — The Warsaw Pact countries have proposed consultations between NATO and the Warsaw Pact on how to make their nonnuclear strategies less offensive and more defensive. It is high time the West responded to this novel and potentially most important opening.

If reliance on nuclear weapons in Europe is to be diminished — by agreement on intermediate-range nuclear missiles or by further steps — the problem of NATO's fear of Warsaw Pact nonnuclear forces must be faced. NATO, after all, acquired nuclear weapons and adopted its doctrine of "first use" to offset its perceived inferiority in nonnuclear forces; and fear of that inferiority is still the reason for its reliance on nuclear weapons.

The orthodox approach to the problem is to call for negotiations to reduce or check the level of nonnuclear forces, subject to the caveat — sometimes proclaimed almost as a war cry — that there must always be a balance between the two sides. Balance is taken to be the precondition of security that must be preserved whether the level of forces is being lowered, raised or kept steady.

There are two fundamental objections to this approach. The first is that the asymmetries and uncertainties between the geography, men, weapons, morale and every other attribute of the forces of any two nations or alliances are so great that balance can never be measured, let alone agreed, without a high probability of dispute and deadlock. That is the immediate snag on which arms negotiations have broken down since the beginning of this century.

And the problem of measuring balance will be far more difficult now, with nonnuclear forces so highly complex and diverse, than it was for pre-

Scrap the threat that lies at the heart of the confrontation in Europe.

war conventional forces or than it is for nuclear weapons, where numbers of warheads, megatonnage and other physical units can be invoked.

The second objection is that it is not balance that brings security so much as whether the forces are designed, equipped and trained with emphasis on offense or defense. If NATO and the Warsaw Pact had equal and identical nonnuclear forces, but the character of those forces was such that they had strong offensive capabilities and were vulnerable to surprise attack, there could be no security; by attacking, either side could hope to knock out the other at the nonnuclear level.

Security would not be achieved by making balanced reductions, or balanced increases, in the size of those forces. With smaller or greater forces there would still be much the same possibility of a successful attack — and the same fear of attack. Those risks derive from the offensive character of the two forces, not their size.

What matters for security is that the doctrine, structure, training and other characteristics of the forces of each side should be such that the ability to take the offensive is minimized, and the ability to defend and hold an attack maximized. If that strategy were successfully adopted, each side would find that its defensive capability exceeded its opponent's offensive capability. The military postures of each side would be reassuring, not threatening, and consistent with the peaceful political aims of each side's professing.

What this means for Europe is that the Soviet Union and the Warsaw Pact countries should change doctrine away from the notion that the best form of defense is retaliatory attack, and reduce their large tank armies and other features of their nonnuclear forces that frighten NATO, in favor of a more defensive posture.

And NATO should eschew those features of its nonnuclear forces that frighten the Warsaw Pact — for example, its advanced systems of high technology nonnuclear missiles which the Warsaw Pact countries view as a threat to their command structure and other important targets.

How should a change in this direction be achieved? It requires a reduction in reliance on mobile armored forces with high potential to attack, or counterattack; a greater concentration on dispersed anti-tank forces, earthworks, mine fields and other less mobile, defensive forces; and a reduction in the capacity to attack concentrated forces and other vital targets.

Traditional negotiation of balanced changes is clearly not appropriate. Apart from the objections already mentioned, the changes required on one side, if it is to reduce offensiveness and increase the defensiveness of its forces, are likely to differ in size and character from those required on the other. And by making such changes independently, one side might preserve or increase its security, even if the other made no change.

What is needed is a new, more cooperative form of dialogue. Ideas of how to make military postures less offensive and more defensive need to be discussed; each side should tell the other what it fears and should try to meet the fears of the other. Formal agreements would be required when changes had to be ratified, or when symmetrical changes really were needed; and a change by one side could not be risked without reciprocity.

This approach has a considerable following in West Germany, Denmark and the Netherlands, but it has not yet gained official support in NATO.

Arms Control: A New Way of Thinking, Plus 'True Zero'



WASHINGTON — The Soviet Union has been talking publicly about concluding an agreement on intermediate-range nuclear forces in time for a possible summit meeting this fall. If the Soviets are serious about this, they can do one thing to help make it happen: Move west America to the global elimination of Soviet SS-20 and SS-4 missiles, and U.S. Pershing-2 and ground-launched cruise missiles. This "true zero" solution would expedite negotiations and make verification far less difficult.

As things stand, the INF (intermediate-range nuclear forces) treaty under negotiation would permit both the United States and the Soviet Union to retain 100 warheads on these missiles. The U.S. missiles in the United States, the Soviet Union in Soviet Asia.

Such an outcome would be a big improvement over today's situation. The SS-20 threat would be radically reduced, with the Soviet Union having to destroy more than 400 SS-20 missiles carrying about 1,200 warheads, that threaten Europe and Asia, and more than 100 single-warhead SS-4s.

That is more than six times the number of warheads deployed on Pershing-2 and ground-launched cruise missiles that the United States would be required to sacrifice.

This would be the first agreement to reduce offensive nuclear arms significantly. Considering that such reductions were dismissed as not "negotiable" six years ago, today's progress is a tribute to Western resolve.

"Near zero" is good, and the United States is prepared to accept it as an interim step. But true zero — global elimination of the missiles — would be far better. Why is that?

First, true zero would be easier to verify and easier to enforce.

Second, strategically global zero is a cleaner solution. As long as the Soviet Union retains small numbers of SS-20s, the United States and its allies will have to take those missiles into account in their defense planning.

Moreover, the continued existence of 33 SS-20s causes the Soviet Union to maintain an infrastructure capable of supporting a far larger force.

This is why near zero would require far more intensive verification than true zero. A secret stock of such missiles might always be deployed or unveiled in a crisis — like Hitler's unveiling of the ICBM Luftwaffe.

Zero was what the United States set out to achieve. Near zero is an acceptable interim compromise. Residual intermediate-range forces of 100 warheads on each side make no logical or strategic sense. The case for eliminating the last 100 warheads is all the more compelling in the context of a possible global ban on shorter-range INF systems, which is being discussed.

Their global ban would be even more helpful to Asian nations. Under near zero, the number of SS-20s threatening Asia would be reduced significantly — by more than 80 percent. Under true zero, they would be eliminated entirely.

Fourth, global zero would be preferable to the West Europeans. The SS-20 is a mobile missile, that means that missiles remaining in Asia could be moved within range of Europe within days. During peacetime, that would be a serious violation of the agreement, but in a crisis all bets might be off. Western military planning would have to take these missiles into account.

Finally, given their stated commitment to arms reductions, the Soviets have legitimate grounds for opposing a far less ambitious agreement.

Zero has serious advantages from the Soviet viewpoint. After all, the United States would be eliminating its own medium-range missiles. Mr. Gorbachev has publicly raised the possibility of going to true zero, albeit on unacceptable terms (American withdrawal of additional nuclear forces that are not covered by the INF negotiations). The Soviet's acceptance of true zero would lend credence to their stated commitment — more words than action thus far — to advancing genuine arms control.

The difference between near zero and true zero is one of those cases where, as Karl Marx said, a quantitative difference becomes a qualitative one. From every standpoint — arms control, strategy, politics — true zero would be the best. Americans are ready for it. Are the Soviets?

— *The New York Times*.

Let's Call Gorbachev on This: Ban All Medium-Range Missiles

By Kenneth L. Adelman

The writer is director of the U.S. Arms Control and Disarmament Agency.

WASHINGTON — The Soviet Union has been talking publicly about concluding an agreement on intermediate-range nuclear forces in time for a possible summit meeting this fall. If the Soviets are serious about this, they can do one thing to help make it happen: Move west America to the global elimination of Soviet SS-20 and SS-4 missiles, and U.S. Pershing-2 and ground-launched cruise missiles. This "true zero" solution would expedite negotiations and make verification far less difficult.

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Zero was what the United States set out to achieve. Near zero is an acceptable interim compromise. Residual intermediate-range forces of 100 warheads on each side make no logical or strategic sense. The case for eliminating the last 100 warheads is all the more compelling in the context of a possible global ban on shorter-range INF systems, which is being discussed.

Their global ban would be even more helpful to Asian nations. Under near zero, the number of SS-20s threatening Asia would be reduced significantly — by more than 80 percent. Under true zero, they would be eliminated entirely.

Fourth, global zero would be preferable to the West Europeans. The SS-20 is a mobile missile, that means that missiles remaining in Asia could be moved within range of Europe within days. During peacetime, that would be a serious violation of the agreement, but in a crisis all bets might be off. Western military planning would have to take these missiles into account.

Finally, given their stated commitment to arms reductions, the Soviets have legitimate grounds for opposing a far less ambitious agreement.

Zero has serious advantages from the Soviet viewpoint. After all, the United States would be eliminating its own medium-range missiles. Mr. Gorbachev has publicly raised the possibility of going to true zero, albeit on unacceptable terms (American withdrawal of additional nuclear forces that are not covered by the INF negotiations). The Soviet's acceptance of true zero would lend credence to their stated commitment — more words than action thus far — to advancing genuine arms control.

The difference between near zero and true zero is one of those cases where, as Karl Marx said, a quantitative difference becomes a qualitative one. From every standpoint — arms control, strategy, politics — true zero would be the best. Americans are ready for it. Are the Soviets?

— *The New York Times*.

The Answer Was Simply to Tell Congress

By David S. Broder

WASHINGTON — Lieutenant Colonel Oliver North has done the United States a service with his testimony on the Iran-contra affair. By being the unapologetic, combative witness that he has been, he has brought into focus the real issue in this controversy.

That issue is not primarily Ronald Reagan's veracity or complicity in this business. The president long since has acknowledged that he gave personal approval to the arms shipments to Iran. It is equally clear, not just from Colonel North's testimony but from the whole record, that the National Security Council operatives had — as Colonel North said — every reason to "assume" that the president also approved their use of the profits to aid the Contras in Nicaragua.

It would be convenient if Colonel North had not shredded the documents on which Mr. Reagan was asked to indicate his approval of the transaction. But it is hardly vital to know whether Mr. Reagan's approval was explicit or implicit.

The president has defended as proper the solicitation of funds for the Contras from private individuals in America and from foreign governments. Having approved the sale of arms to Iran, there is no reason to believe he would have been offended by adding the Iranians to the list of contra contributors — what Colonel North still calls "a neat idea."

The late William Casey, President Reagan's close friend, campaign manager and choice as director of the Central Intelligence Agency, clearly knew about the deal. So did Rear Admiral John Poindexter, Mr. Reagan's national security adviser, and his predecessor, Robert McFarlane.

If the president was in fact unaware of the diversion, it is as clear as can be that he could have learned of it simply by asking a question of officials close at hand. Under the U.S. system of government, his responsibility for this transaction, and for his own acts of commission or omission is crystal clear. No theory of accountability permits any other

conclusion but that these officials were acting with the authority and on behalf of the president.

The American public has grasped this point and the opinion polls measure the resultant damage to Mr. Reagan's credibility.

Colonel North's testimony was not crucial to establish any of these points. What he has helped the public understand is the exact nature of covert actions such as this and the dilemma they pose for a democratic society such as America's.

Colonel North says — and almost every American would agree — that in a democratic world, the United States must have the capacity to conduct covert actions in the interest of its national security.

Bluntly, he said, "By their very nature, covert operations or special activities are a lie." At the very least, they involve steps to assure "plausible deniability" for the U.S. government and its agents should anything go awry and the operation be exposed. In addition to concealment, covert actions often involve deception of the other side.

The dilemma arises from the fact that such concealment and deception are necessary, extends to the American public. As Colonel North said, Americans cannot put a bubble over the country and discuss these matters among themselves. Yet if this is to be a government of law, covert actions and overt policies must reflect the people's will.

A paradox exists for resolving this dilemma. It is the requirement that the executive branch give timely notice to the intelligence committees of Congress; of the covert operations it is conducting or contemplating.

When Colonel North was asked, however, if he wanted the Congress informed through its designated committees of what he and his associates were doing, he said, "I didn't want to show Congress a single word on this whole thing." That general policy of defiance has been endorsed by Attorney General Edwin Meese and by the president himself: "They assert that the president may delay notification for weeks — or even months — at his discretion."

That is a position that cannot be allowed to prevail. If the United States is to remain a democratic society in more than name, there is a prudential case to be made for the timely notice policy. Members of the intelligence committees, led by experienced senators and representatives who are well-trusted by their colleagues, offer any president a source of good counsel: It is hard to imagine that these sensible politicians sensitive to public opinion would not have attempted to warn the president of the folly of setting such a trap.

But the dilemma is less compelling than the constitutional argument for timely notice. The president might have ignored the legislators' advice or their certain warning against using any proceeds to help the Contras. But if the notification requirement had been enforced, no subordinate could have risked even the possibility that the president was unimformed of the transaction.

The responsibility for the decision would clearly have lodged, as it must, with the man the American people had elected, and not with a marine corps lieutenant colonel.

— *The Washington Post*.

By Edwin M. Yoder Jr.

ultra-majoritarianism is not unequalled. He would not, for instance, segregate America, because he believes the 14th Amendment "secures against government action some large measure of racial equality."

And Senator Kennedy's charge that in "Black America" "rogue police would come crashing through your door in plain incursions" through constitutional warrant, and therefore no more than judge-imposed "wish lists."

Judge Bork's problem, in other words, is that like Jefferson he finds "judicialty," which recently has been the favored mode of enlightened change in our society, hard to square with any theory of democratic government, even one with a substratum of natural law. He once wrote, "If a judge should claim to possess a volume of annotated natural law... we would suspect that the source of the revelation was really no more exalted than the judge's viscera."

That view, though unusually amere, is neither novel nor exotic. What is not to be denied is that so restrictive a view of the judicial function can have real political consequences. Those consequences are a legitimate source of inquiry in any confirmation process.

You could say of Judge Bork, for instance: "This touching faith in legislative government is all very well, but legislators often do dumb and despot things and I prefer to take my chances with judicial supremacy."

Judge Bork's large defiance to a judicially underdogged democracy might indeed be a reputable basis for opposing his confirmation. Any court he influences is going to jerk constantly at the leashes of overambitious or adventurous judges.

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Bork Is a Jeffersonian, Not a Bogyman of the Right

By Edwin M. Yoder Jr.

WASHINGTON — Leading the charge of the lightweight brigade against the nomination of Robert Bork to the U.S. Supreme Court, Senator Edward Kennedy conjures up frightening visions of an America in which women would be forced into back-alley abortions; blacks "sit at segregated lunch counters" and "rogue police 'break down citizens' doors in midnight raids."

This twaddle is what Adlai Stevenson used to call white-collar McCarthyism. And it has as much to do with Judge Bork's real views or qualifications for the bench as his red whiskers or his Falstaffian girth.

Robert Bork is an upright and scholarly judge of uncommonly serious and coherent views about the appropriate constitutional role of the judiciary. He has laid out those views for all to read and consider in many elegant and witty essays and lectures. Those writings reveal that he is not a bogyman of the far right, but a temperate and intelligent Jeffersonian.

If Senator Kennedy and others of his persuasion cared enough to look closely at the views of their party's patron saint, they would be logically constrained to vote for Judge Bork, or to explain why Jeffersonian principles are no longer acceptable among conventional liberals.

What does it mean, in 1987, to be a judicial Jeffersonian? It means that with certain qualifications, usually ignored by demagogues, you believe that in a democracy people are best governed by the officials they elect, free of overweening judicial supervision. If, for instance, a majority in a state legislature wants to ban the use of contraceptives or abortion, and if no clear constitutional impediment to that policy is discovered, they are entitled to exercise a degree of coer-

cion that we enlightened few, including Bob Bork, might deplore.

Judge Bork believes, and has forthrightly argued, that many constitutional "rights" discerned by judges — especially the right of privacy used to overturn recent laws restricting contraception and abortion — are without constitutional warrant, and therefore no more than judge-imposed "wish lists."

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Judge Bork has "the root of his matter in him." He understands that constitutional government is mainly about principled limits on the exercise of power. He has the will and intellect to seek and enforce those limits, to referee the jostle of democracy not matter whose will list must be temporarily sidetracked.

I would expect Judge Bork, moreover, to explain his rulings in a principled and intellectually honest way and correct them if and when that is foreseeable in all that is that the issues on which he will make a difference in the long run are now mostly unexplored.

— *Washington Post Writers Group*.

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: 'Automatic' Food
NEW YORK — There is one place where striking waters came no fear, as all the foodstuff is served automatically after it has been sufficiently cooked with a five-cent piece. This new Utopia in foodland is in Broadway between Forty-Seventh and Forty-Eighth streets, on the sidewalk. It is known as the Automat, if you want a piece of pumpkin pie, you drop a nickel into a slot so designed and

OPINION

Amid Thatcher Revolution, Lenin's Bust Seems Dustier

By A.M. Rosenthal

LONDON — In this city full of bookshops, perhaps the quietest is the basement floor of a modern-looking store on Charing Cross Road. On the first floor there is the usual collection of novels, biographies, travel guides. But take the stairs down and suddenly, here is the world of radical kitsch.

ON MY MIND

On the shelves, the works of Marx and Lenin and the sayings of Che Guevara. Racks of sweatshirts demanding firm support for Nicaragua, Cuba, Angola; stacks of others emblazoned with Communist slogans — in Russian. Coffee

cup with "Nicaragua, No Pasaran" and bags of "frontline coffee" blended from Angolan, Tanzanian and Nicaraguan beans. Busts of Marx and Lenin and other heroes in plastic are for sale, and credit cards are accepted.

"Into-the-streets" leaflets are scattered about, and there are posters with fierce fists and bayonets. Taken all together, this is as frightening and politically significant in today's England as the changes, social movement and political action are indeed taking place in England. But they have nothing to do with the browsers in the radical basement or with the posters on the walls.

There is action in business boardrooms, where entrepreneurship and adventuresomeness are very much the style, complete with a few scandals.

Across Britain, people who never owned a share of stock are buying a piece of the country, putting money into businesses once owned by the government but now turned over to public investment. At Heathrow Airport the government hawk shares in British airports.

A month after their triumph by Margaret Thatcher and the Conservative Party, the Labor Party and trade union officials are doing a lot of meeting and talking to, trying to figure out their future. Labor knows that the growing middle class, the sense of upward and

ward that Mrs. Thatcher has given to so many, cost them the election. And they know that if they are to avoid becoming entirely fossilized, they will have to spend the next few years not only fighting the prime minister, but finding a new sense of purpose.

Unemployment is high and poverty deep in many parts of the country. The prime of Wales seemed shocked the other day to discover shams in shining London. But Labor knows it needs more than the support of the unemployed or of the people on welfare to climb back into power. The election coordinator of the party now says that Labor has been negative, reactionary and defensive and that it should learn from Mrs. Thatcher's demands for radical change.

At 10 Downing Street, Mrs. Thatcher calmly goes on plotting revolution. She has canceled out part of it already, stopping British socialism dead in its tracks. She has moved the country toward something that would seem neither revolutionary nor wildly conservative in the United States but was supposed to be forever dead in Britain: an expanding private economy with more and more participation by small investors and less and less government ownership.

It would be fairly difficult for most Democratic candidates in the United States to quarrel with most of Mrs. Thatcher's program. But Labor socialism had seemed deeply built into British law and attitudes. In the sense that revolution means changing history by moving society in a different direction, Mrs. Thatcher is up there on the barricades.

She has two agendas. There is the public one that she and her opponents in Parliament will fight over: changes in the education system, local taxation and trade union rules that Labor says would weaken local government, where Labor tends to be stronger, and would transfer power to her government in London.

Since that is exactly what she intends to do — further weaken Labor and further strengthen the Conservatives — Mrs. Thatcher does not seem shocked at the accusation. She merely glares a bit more icily at the opposition. But her friends say she also has a private agenda that she intends to carry out.

She sensed trouble in the last few weeks before the election and secretly took control of the campaign from party officials into her own hands. Still, she was startled at the deep division shown toward her and her party in Scotland and in other parts of Britain.

Mrs. Thatcher will spend a lot more time and thought and a lot more money in those areas. She plans to run again, and by the time she does, she intends to win over a lot of the hard-core Labor vote. That will be Margaret Thatcher's second revolution, even though she does not have a hope of becoming a plastic until the end of the century.

George Thatcher is a reporter for The New York Times.



Ben Franklin's front porch, Philadelphia, July 4, 1787.

As the Firecrackers Die Out, Happiness Comes, Unpursued

By Ellen Goodman

CASCO BAY, Maine — The parade passed by here days ago. The wheels that carried the patriotic floats around the island have returned to their mundane lives as pickup trucks. Along the road, just a few remnants of the Fourth of July remain: some broken balloons, some empty soda cans.

From time to time, the desultory pop of a leftover firecracker will echo across

MEANWHILE

the bay to the place where I am sitting in the sun, my literary prop open on my lap. The firecrackers sound like a slow staccato refrain, a holiday rum. Here they go again. Life. Pop. Liberty. Pop. The Pursuit of Happiness. Pop, pop.

My mind runs down the familiar list of "unalienable rights" drawn up by the Americans who declared independence. It stops at the last one: pursuit of happiness.

What did those men have in mind? They were too wise, or perhaps too politically savvy, to simply claim happiness as a right for their countrymen. They claimed only the right to pursue it.

Did they understand and share the restlessness of 18th-century Americans who continually picked up and went off in pursuit? Did they believe we were entitled with the unalienable right to follow illusions and whims as well as dreams and opportunities? Did they approve of the American impatience with even intolerance of unhappiness?

I think of how diligently we Americans have upheld this right above all others. Migrating from East to West, house to house, marriage to marriage, job to job, one idea of the good life to another. Always in pursuit of happiness.

To this day, we know people who treat happiness as a puzzle whose final piece is always slightly out of reach. They call it a goal. Many Americans merchandise a great happiness kit with instructions to be followed precisely: add a home, a microwave oven, a compact disc player, the latest model car. Never complete.

As planners, we often regard happiness as a major production that only works when we gather a cast of characters, carefully script an event and outfit it with party hats and favors. A happy birthday, a happy Fourth of July. I have been part of this. A few days ago, we joined the endless caravan of cars crawling out of the city toward the country in hot pursuit. Yet only now, after the celebration, in the quiet empty weekday, does happiness, like warmth, finally seep through my skin and into consciousness.

I wonder if happiness, like something wild, gets elusively when pursued. Chase it and it becomes coy, elusive. Plays hard to get. Perhaps it comes to people most easily when they're still, or hold out their lives quietly like an open hand.

I have done my share of chasing and leaving. If I had been kept in my place, the assignment handed me in my female childhood, I would have felt as trapped as any colonial. But it is clear to me that happiness is not a verb, it's a noun. It is not an action, it's an emotion.

As for the men who made that list of unalienable rights, they would not be surprised at us. They, too, were more adept at describing their colonial misery than the united state of happiness.

But on days when the firecrackers recede into the distance and the sun is warm, how easy it is to put aside pursuit, and let happiness roll in like the tide.

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Gannett's Savior

I was outraged to read of Allen H. Neuharth's parody of the Last Supper ("USA Today: Road to Survival Littered With Losses," July 4). For Mr. Neuharth, chairman of Gannett Co., to don a crown of thorns, serve guests wine and unleavened bread and compare himself to "the crucified one" because of his corporate losses in 1984 is an insult to Christians and Jews. What Christ did for humanity, Mr. Neuharth did as an egotistical manifestation of rage against an economic situation.

CLAIRE HALLER, Blue Jay, California.

Feeding India First

It is very disappointing to note the manner in which India carried out the airlift of food supplies to the Tamils in northern Sri Lanka. ("Indian Planes Drop Supplies to Tamils," June 5). Sri Lanka denies there is starvation or a shortage in the northern peninsula. Are the Indian authorities aware of the millions of starving in India who are roaming the streets, waiting for the benevolent hand of a tourist, or digging into dustbins in search of food? Sri Lanka has not come to that stage yet.

BRINDLEY FERNANDO, Paris.

Journalists Must Press Iraq

Regarding "In Iraq, Even the Weather Is a Secret, but News Gets Around" (June 3): While admitting Iraq's singularly restrictive measures on the flow of information, Jim Hoagland allows that the authorities have designed "more polished, noncommittal information poli-

Letters to the Editor

cies" for the benefit of U.S. journalists. One wonders whether Mr. Hoagland has been permitted to visit the Kurdish region, has been given free access to the country's south, or been able to wander around, unaccompanied by an "interpreter" from the Ministry of Information, in Baghdad's popular quarters of Al-Thawra and Bab Al-Shiekh. The American public has the right and the need, particularly in the aftermath of the attack on the USS Stark, to be well-informed on social and political realities in Iraq — unless it wants its government to repeat the errors in Iraq that it has made in Iran during the reigns of the shah and the mullahs.

ALI BUCAK, Paris.

Contempt for the Law

Regarding the opinion column "At Half-time of the Hearings, Reagan Is Losing Badly" (June 11) by James Reston: Mr. Reston's excellent article points out that the select committee investigating the Iran-contra affair is certain of at least this much: "that the administration acted with contempt for Congress if not for the law, and avoided the principle of accountability for its actions." Quite correct. Specifically, the Reagan administration appears to have violated the Boland amendment, the Security and Development Act, the Intelligence Authorization Act, the Neutrality Act and the Arms Export Control Act. When Mr. Reagan opted to secretly sell arms to Iran, he broke his own heralded arms embargo, which the Justice Department had been using to prosecute private arms dealers.

Where does all this lead? Borrowing a phrase from a House report on its 1974 impeachment inquiry on Richard Nixon: Could Mr. Reagan have acted in a manner "contrary to his trust as president" and "subversive of constitutional government"? GART MEISEN-VEHRS, Lillehammer, Norway.

Ignoring Egyptian Needs

Regarding the report "Egypt Will Build a High-Tech U.S. Tank" (June 30): Everybody who knows and loves Egypt and is aware of the sufferings of the "little man" there must be horrified by Washington's idea of burdening the country with a tank factory.

Why doesn't the United States apply the same expertise to improving the Egyptian economy that it is said to have applied to the Israeli economy? It is obvious that tank factories, like helicopter factories in Iraq, do not contribute to the welfare of local citizens, nor to gratitude toward the United States.

F.A. WOLF, Offingen, West Germany.

Don't Knock All the MBAs

I was extremely troubled by the pervasive negative attitude in the article, "U.S. MBA Programs in Europe: Meeting a Need but How Well?" (June 29). During the interview with your reporter I was honest about the difficulties a new American MBA in Europe must overcome. I also pointed out the many educational advantages of quality American MBA programs in Europe. It is unfortunate that you chose to report primarily on the former.

I was quite surprised that nowhere in the article were there any comments from students enrolled in MBA pro-

grams. I assure you that in the University of Hartford-Paris MBA program, both students and alumni feel they have received a rigorous, quality program. The companies that employ our graduates will reiterate that sentiment. One must remember that American universities in Europe are no different from American schools in the United States. Some are better than others.

JAMES B. KURISH, Assistant Dean for International Programs, University of Hartford, Paris.

Some Welcome to France

Regarding "Be Nice to Foreigners," (Traveler's Choice, June 19): I loved the woman in Rennes who walked a mile out of her way to help two lost souls find the hostel. I loved the people at the bar in Pontorson who showed me with pens when I lost mine. I loved the two old ladies who made sure we got off at the right stop in Normandy. But I despised the man in the Tours train station who charged me twice for the bikes we rented and would not return my passport until I paid. (A long story.) I also despised the man at the Paris cafe who knew, after we pointed directly at the coffee ice cream, what we desired but brought us ice coffee instead and threatened to call the police unless we paid. I despise ice coffee.

I'm glad that the French have a new motto, "Welcome to France" but I think the animosity runs too deep to be remedied by a few posters. I would love to return to beautiful France. But for now, I'm afraid to. PAULA F. PICKERING, Alexandria, Virginia.

GENERAL NEWS

Knesset Upholds Definition of Jewry

By Thomas L. Friedman, New York Times Service

JERUSALEM — Parliament has narrowly rejected three bills aimed at redefining the official Israeli position on who is a Jew in a way that would have effectively denied the legitimacy of Reform and Conservative Judaism.

Votes on Wednesday by five Israeli Arab and one Druze member of the Knesset, or parliament, were critical in defeating 62-53, the most important of the three bills, which was an amendment to the Law of Return.

That law provides that any Jew in the world can come to Israel and obtain immediate citizenship. For the purposes of that law, the government defines a Jew as anyone born of a Jewish mother or converted to Judaism.

The defeated amendment, which was introduced by religious parties, would have added the words converted to Judaism "according to the Halacha" or Jewish law.

Israel's state-appointed chief rabbi, who came from the Orthodox stream of Judaism, do not recognize Reform and Conservative rabbis as being authentic agents of Jewish law. If the amendment had passed, anyone converted by such rabbis would not have been consid-

ered a Jew in Israel or eligible for automatic citizenship.

The fact that the three bills were defeated by a combination of Labor and small leftist and Arab parties was viewed as a political blow to Prime Minister Yitzhak Shamir.

Even though he carried out his part of a bargain with the religious parties, one of them, most likely Shas, a rigidly Orthodox one, may try to bring down his government in coming weeks.

Rabbi Richard Hirsch, head of the international Reform movement, said, "The critical role played by the Arab members of parliament in defeating these bills just points up how absurd it is that a secular parliament should be legislating on who is a Jew."

"What it came down to," Rabbi Hirsch said, "was six Arabs sitting in Jerusalem determining who is a Jew in New York, Melbourne, London and Johannesburg."

All three of the defeated bills were inspired by Israel's small religious parties and supported by the Likud bloc, led by Mr. Shamir.

Likud's backing was given in return for the smaller parties' support of Mr. Shamir against Foreign Minister Shimon Peres, the Labor Party leader, and his efforts to organize an international peace

conference on the Middle East or to overturn the government.

The 120-seat parliament also defeated, 69-40, a bill that would have pardoned the still-imprisoned Jewish terrorists who were involved in attacks on Palestinians in the West Bank in 1985. Eight of the original 28 terrorists are still in jail, three of them serving sentences for murdering Arabs.

In an unexpected move, Mr. Shamir voted in favor of the blanket pardon of the convicted terrorists, while Mr. Peres and his party voted with the majority against.

Aside from the bill amending the Law of Return, the two other bills proposed to grant Israel's two chief rabbi total authority over determining who can be registered as a Jew in Israel.

Currently, that power is vested in bureaucrats who do not examine whether someone converted to Judaism was converted by an Orthodox, Reform or Conservative rabbi.

The Likud version of that bill was rejected by 63-51 and the Shas version by 60-56. The difference had to do with the fact that some Likud members were not afraid to vote against their own bill, but were afraid to vote against Shas because of the deal Mr. Shamir had struck with them.



ITALIAN CABINET RESIGNS — Prime Minister Amintore Fanfani, left, leaving the office of President Francesco Cossiga on Thursday in Rome after submitting the resignation of his caretaker cabinet. The resignation opens the way for Italy to end a crisis that began in March, when feuding among parties brought down the cabinet of Bettino Craxi and triggered June elections.

A Conservative To Head Iceland's Coalition Cabinet

Reykjavik — After long political negotiations, President Vigdis Finnbogadottir has approved a new coalition government. It will be led by Thorsteinn Pálsson, 39, the youngest prime minister in Iceland's history, officials said.

The new administration, which emerged after a late April general election, groups Mr. Pálsson's conservative Independence Party and its old coalition partner, the Progress Party, with the opposition Social Democrats.

In the government approved by Mrs. Finnbogadottir late Wednesday, the outgoing Progress Party prime minister, Steingunnur Hermannsson, becomes foreign minister, while the Social Democratic leader, Jon Baldvin Hannibalsson, will be financial minister.

Mr. Pálsson's government has 11 ministers, 4 from the Independence Party, 4 from the Progress Party and 3 from the Social Democrats. The three parties between them hold 41 of the 63 seats in the Althing, or parliament.

HACKETT: Shops Multiply as Yuppies Yearn for 'Real' English Article

(Continued from Page 1)

cravats are cashmere if worn with an open shirt but O.K. when tucked into a crew-neck sweater. Boxes, and never jockey-style, shorts are worn. Morning clothes should consist of a black jacket and striped or checked trousers (the Duke of Edinburgh counts an awful gaffe when he goes to Ascot in a gray morning suit, and so does Prince Charles), and a dinner jacket should be double-breasted with grosgrain lapels.

No one goes shooting in a Norfolk jacket or one with leather patches. "You'd be laughed off the moors," Lloyd-Jennings says. "You just wear a tweed jacket with a waistcoat, a tattersall checked shirt, a silk tie, not all those funny ties that they all do, plus fairs and shooting socks." Lloyd-Jennings considers golf a bit wide, or cashmere, but does a nice line in tennis flannels.

Hackett shops have a shrewdly-conceived timeless air. But if the front room exemplifies a world where the clock stands at ten to three, in the back computer disks whirl. The partners have a strong retailing background and are marketing wizards. Their operation has

been covered not only in all the fashion magazines and in fourteen consecutive issues of Tatler, but also in The Field, Country Life, and the Financial Times.

Prices started low because the stores are in a low-rent area and stayed low as success enabled the partners to buy in bulk, so that a pair of corduroy trousers costs the same as it did three years ago.

Lloyd-Jennings says that neither his customers nor his merchandise have changed since the stores opened but that pop sociologists keep rediscovering Hackett and giving it new labels.

"When we first opened we were called the Hooray Henry shop, then young fogeys came in and there was a headline in The Observer, 'Mr. Hackett the Foggy Man.' Now we're suddenly yuppies though our customers haven't changed a jot. The handle has changed, that's all."

Hackett sells tradition. Trousers have buttons and never zippers, suits are cut from heavy 16-ounce cloth, synthetic fabrics are banned. Fanatical about such details as buttons, Hackett and Lloyd-Jennings tend to drive their manufacturers mad.

"Usually the manufacturer has a young designer who's trying to sweep everything out of the way and install computerized cutting and that sort of thing, but there's always some nice old boy whom they dig out who knows exactly what we mean and who finds a kindred spirit and who's putty in our hands."

For a time Hackett had a women's store that naturally featured a window dummy in a twinset and pearls with a brooch of crossed hockey sticks. The shop was a success but the partners closed it against their bank manager's advice because they didn't want to spread themselves too thin. Clearly the way they market old English tradition could lead to many spin-offs in home furnishings and even foods (one can imagine a line in clammy sheets and stodge puddings), but Lloyd-Jennings fears what he calls "the designer trap of believing your own publicity."

One successful sideline is selling cricket bats, mabogany showcases, leather collar boxes and other tribal insignia as shop furnishings to the many places in America and the Continent that specialize in the "English" look.

"There are a lot of people about who make the traditional look as a fashion item. The difference with us is we don't make copies of traditional clothes, we make traditional clothes. It's not a fashion item, it's not how wide your trousers are this year. Our customers would be disappointed if they couldn't find the same pair of corduroys here in ten years' time."

One of Hackett's best customers, both for shop fittings and for his own wardrobe, is Ralph Lauren, whose "English" clothes owe more to Connecticut than Cheltenham. "Ralph simply loves the whole English thing but there's no way he could produce it in bulk. We have a lot of big name designers as customers. We had a telegram last week from Issey Miyake in San Francisco, I think. He wears only our boxer shorts and I don't know what he does with them, we send dozens and dozens to him all over the world," Lloyd-Jennings says.

"It always strikes me as funny, these people who create the most outrageous things to wear and wouldn't be caught dead in it themselves. They want good sensible clothes that are going to last."

EUROPEAN TOPICS

On the Air, the Vatican Outplays Its Neighbors

The Vatican radio station is broadcasting on the same frequencies as four private Italian stations, and its stronger signal is crowding them out with papal homilies and choral music. The stations are protesting to the Italian Telecommunications Ministry. What, if anything, can be done remains to be seen.

The problem stems from an International Telecommunications Union agreement that was signed in Geneva in 1984 and which went into effect this month. It allotted broadcasting frequencies to member countries, Vatican City, as an independent state, was given four new frequencies and started using them July 1. The frequencies had been occupied for a decade by Ondas Rossa (Red Wave), an extreme leftist station; Radio Radicale, the radio station of the Radical Party; and two commercial stations.

The private stations contend that while Radio Vatican is legally foreign, it is Italian in fact, since Vatican City is situated within the city of Rome. The Vatican newspaper, L'Osservatore Romano, said it was Radio Vatican's duty to honor international agreements.

According to a binding EC directive, gasoline stations in all member states will have to have lead-free pumps by 1992 and all new cars will have to use lead-free gasoline by 1993.

Around Europe

The Soviet Union suffers from "sexual illiteracy," according to Igor S. Kon, a leading Soviet sociologist. In an interview with the weekly Ogonyok, Mr. Kon said the lack of information on sexuality among the public and even among doctors contributes to a high rate of abortions and divorces in the country. He said insufficient guidance on sexual matters and a shortage of contraceptives have turned abortion into a widespread method of birth control and have contributed to family tensions that frequently lead to divorce. The quality of family life and the stability of the family depend to a great extent on "sexual literacy," Mr. Kon said, adding that the silence on the subject is "immoral."

The British Broadcasting Corp. has started broadcasting its "BBC World Service" radio program in the Paris region on FM 94.8, the frequency that used to carry Voice of America programs. The International Herald

On the Air, the Vatican Outplays Its Neighbors

Tribune received calls from several Paris residents who wanted to know what had happened to VOA. The frequency belongs to a private radio station that switched from VOA to BBC programs at the end of June. VOA said it has applied to the French authorities for its own FM frequency and hopes to be allotted one by autumn. VOA also can be received on several short-wave frequencies, including 11805 and 6060, and on 792 medium wave.

Bona Staller, known as "Ciccolina," recently became Italy's most controversial new deputy after a topless campaign that embarrassed even the Radical Party, which had put her up as a candidate. But no one, it seems, was more embarrassed than the owner of Il Gabbiano nightclub in Viareggio where the 38-year-old pornographic movie star staged a hard-core show only days after she was elected. When she arrived last Friday for another show at the club, she was refused entrance and her contract was canceled. The club issued a statement saying that Miss Staller's performance was "well below acceptable moral standards and indecent in an artistic and professional sense."

Only heads of government and chiefs of state will be allowed to drive in Paris in motorcades, Prime Minister Jacques Chirac of France has announced. Mr. Chirac said he was irritated by the increase in the number of motorcades French government officials driving through the city with "waiting sirens and escorted by police on motorcycles," causing traffic jams and exasperating citizens. Mr. Chirac said the decision had been made by "the prime minister, at the request of the mayor of Paris." The city of Paris is Mr. Chirac.

—SVTSKE LOOUJEN

EC Lead-Free Fuel Plan Is Moving Sluggishly

Although 1987 is the Year of the Environment in the European Community, most of the 12 EC member states have been slow to encourage the use of lead-free automobile fuel, according to the European Bureau of Consumer Associations, based in Brussels. Its survey showed that only the Netherlands, Denmark and West Germany have a nationwide distri-

buted network for gasoline without lead, which pollutes less. In the Netherlands, all gasoline stations are equipped with lead-free gasoline pumps, compared with 90 percent in Denmark and 75 percent in West Germany. But in Britain, only 1.5 percent of gasoline stations sell lead-free fuel, and in France only 0.8 percent. In Belgium, the number of lead-free pumps has dropped over the past nine months from 0.6 percent to 0.3 percent. Portugal has no lead-free gasoline pumps.

According to a binding EC directive, gasoline stations in all member states will have to have lead-free pumps by 1992 and all new cars will have to use lead-free gasoline by 1993.

Bonn to Try Abbas Hamadeh in Kidnapping

KARLSRUHE, West Germany — The brother of Mohammed Ali Hamadeh, a Lebanese wanted for hijacking a U.S. airliner, has been charged with kidnapping two West Germans in Lebanon and with possessing explosives, Federal Prosecutor Kurt Rebmann said Thursday.

Mr. Rebmann said Abbas Ali Hamadeh had been charged with attempting to intimidate the West German government by kidnapping Rudolf Cordes, 53, and Alfred Schmidt, 47, in January.

The two West Germans were seized after Mohammed Ali Hamadeh was arrested Jan. 15 by Frankfurt airport police, who said they found explosives in his luggage. Neither Mr. Cordes nor Mr. Schmidt has been released.

The United States sought the extradition of Mohammed Ali Hamadeh to face charges of air piracy and murder in the 1985 hijacking of an Trans World Airlines plane to Beirut.

Bonn turned down the request last month but said Mr. Hamadeh would be put on trial in West Germany for air piracy, the murder of a U.S. navy diver traveling on the

hijacked plane and possession of explosives.

Abbas Ali Hamadeh, a West German citizen, was arrested two weeks after his brother. He was detained at Frankfurt airport on returning from Lebanon.

World Has 5 Billion People

LONDON — On Saturday, the population of the world will reach five billion, according to the United Nations. It noted that the world's population is growing by 150 a minute.

Vol.	High	Low	Close	Chg.
Coroll	2405	24.00	23.75	+0.25
AT&T	2385	23.75	23.50	+0.25
Shell	2380	23.75	23.50	+0.25
Verizon	2375	23.75	23.50	+0.25
Amgen	2370	23.75	23.50	+0.25
Amgen	2365	23.75	23.50	+0.25
Amgen	2360	23.75	23.50	+0.25
Amgen	2355	23.75	23.50	+0.25
Amgen	2350	23.75	23.50	+0.25
Amgen	2345	23.75	23.50	+0.25

NYSE 4 a.m. volume	19,138,139
NYSE prev. sess. close	242,779,220
Amex 4 p.m. volume	12,000,000
Amex prev. sess. close	14,000,000
OTC 4 a.m. volume	15,000,000
OTC prev. sess. close	16,000,000
NYSE volume up	19,138,139
NYSE volume down	15,000,000
Amex volume up	12,000,000
Amex volume down	14,000,000
OTC volume up	15,000,000
OTC volume down	16,000,000

High	Low	Close	Chg.
Composite	212.28	212.28	+0.25
Industrials	152.28	152.28	+0.25
Transport	102.28	102.28	+0.25
Utilities	102.28	102.28	+0.25
Finance	102.28	102.28	+0.25

Thursdays
NYSE
Closing
Via The Associated Press.

Class	Prev.
Advanced	1.25
Declined	0.75
Total Issues	1.00
New Issues	0.25

High	Low	Close	Chg.
Composite	102.28	102.28	+0.25
Industrials	102.28	102.28	+0.25
Transport	102.28	102.28	+0.25
Utilities	102.28	102.28	+0.25
Finance	102.28	102.28	+0.25

Vol.	High	Low	Close	Chg.
Amgen	2375	23.75	23.50	+0.25
Amgen	2370	23.75	23.50	+0.25
Amgen	2365	23.75	23.50	+0.25
Amgen	2360	23.75	23.50	+0.25
Amgen	2355	23.75	23.50	+0.25

Class	Chg.
Bonds	+0.81
Utilities	+0.81
Industrials	+0.81

Class	Prev.
Advanced	1.25
Declined	0.75
Total Issues	1.00
New Issues	0.25

Buy	Sales	% of
July 8	815	0.75
July 7	27	0.02
July 6	10,400	9.50
July 5	12,000	11.00
July 4	25,000	22.50
July 3	25,000	22.50

Open	High	Low	Close	Chg.
Index	262.28	262.28	262.28	+0.25
Ind	152.28	152.28	152.28	+0.25
UTI	102.28	102.28	102.28	+0.25
Comp	102.28	102.28	102.28	+0.25

High	Low	Close	Chg.
Industrials	102.28	102.28	+0.25
Transport	102.28	102.28	+0.25
Utilities	102.28	102.28	+0.25
Finance	102.28	102.28	+0.25
Comp	102.28	102.28	+0.25

Class	Prev.
Advanced	1.25
Declined	0.75
Total Issues	1.00
New Issues	0.25

High	Low	Close	Chg.
Composite	102.28	102.28	+0.25
Industrials	102.28	102.28	+0.25
Transport	102.28	102.28	+0.25
Utilities	102.28	102.28	+0.25
Finance	102.28	102.28	+0.25

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

12 Month	High	Low	Stock	Div. Yld.	PE	52 Wk High	52 Wk Low	Open	Close	Chg.
20%	100	100	AAR	1.50	15	100	100	100	100	+0.25
20%	100	100	ADT	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25

NYSE Mixed on Profit-Taking

NEW YORK — Prices on the New York Stock Exchange finished mixed Thursday in a session marked by profit-taking in many of blue-chip stocks.

The Dow Jones industrial average fell 12.76 points to 2,451.21, after reaching a record high on Wednesday. But advancing issues outnumbered declines by about 9 to 8. The exchange's composite index slipped 0.27 point to 173.15.

Standard & Poor's index of 400 industries fell 0.89 point to 358.91, and the S&P 500 was down 0.77 point at 307.52.

Volume totaled 195.40 million shares, down from 207.46 million in the previous session.

One apparent drag on the market was a rise in open-market interest rates, which pushed prices of long-term government bonds down about one-half point, or \$5 on average for each \$1,000 in face value.

Stock trading volume has increased this week as the market continued the rally it began in late May. Analysts have generally been hoping for a pickup in activity to suggest that investors are buying with confidence and conviction.

But the market's "breadth" — the number of stocks participating in the advance — remained unimpressive Wednesday.

"The market had a very narrow advance with most measurements failing to confirm the new high in the DJIA, a condition which if not soon corrected usually leads to some problems," said Newton Zinder at E.F. Hutton & Co. in his daily commentary.

"The market's performance was something less than a technical triumph."

Brokers said this lack of breadth prompted some traders to remain skeptical about the durability of the rally, and to cash in some of their gains.

Golden Nugget was actively traded, up 1% at 132. Donald Trump, the financier, said he holds a 4.9 percent stake in the company, and indicated that he might seek to gain control of it.

Southland Corp., also active, climbed 1 1/2 to 78. Some traders apparently are speculating that the company, which has agreed to be bought out by its founding family for \$77 a share, might attract a higher bidder.

Losers among the blue chips included American Express, down 1/4 at 33%; General Electric, down 1/2 at 55%; and Philip Morris, down 1/4 at 91. Also lower were International Business Machines, down 1/2 at 166 1/2 and RTR Nabisco, down 1 at 53 1/2.

Airborne Freight fell 4 1/2 to 28 1/2, posting one of the day's biggest percentage declines. Late Wednesday the company estimated lower earnings for the second quarter.

Corral led the active list, up 3/4 at 33 1/2. The stock, which was added to Standard & Poor's 500-stock composite index, apparently benefited from buying by index funds that seek to duplicate the performance of the 500.

At the American Stock Exchange, the market value index hit a new high for the third straight day, closing at 346.79, up 0.22.

12 Month	High	Low	Stock	Div. Yld.	PE	52 Wk High	52 Wk Low	Open	Close	Chg.
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25

12 Month	High	Low	Stock	Div. Yld.	PE	52 Wk High	52 Wk Low	Open	Close	Chg.
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25

12 Month	High	Low	Stock	Div. Yld.	PE	52 Wk High	52 Wk Low	Open	Close	Chg.
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25

12 Month	High	Low	Stock	Div. Yld.	PE	52 Wk High	52 Wk Low	Open	Close	Chg.
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25
20%	100	100	AGS	1.50	15	100	100	100	100	+0.25

كنا من الأمل

WEEKEND

- Memories of Capote
- Photography at Arles
- Native American Art

International Herald Tribune

CRITICS' CHOICE

AIX-en-PROVENCE

Strauss, Lully and Verdi

Aix is France's summer capital of opera and vocal music, and the 40th festival has just opened with a new production of Strauss' "Der Rosenkavalier," conducted by Semyon Bychkov and staged by Tobias Richter, with Mechthild Gassendoff, Jeanne Fland, Christine Barban and Aage Haugland in the principal parts. Other operas in the festival, which continues to July 31, are a new production of Lully's "Psyché," conducted by Jean-Claude Malgoire, with his Grande Ecurie and Chambre du Roy instrumentalists, and staged by Jean-Claude Penchenat; Verdi's "Falstaff," in a production from the Théâtre de la Monnaie in Brussels with José van Dam in the title role, Sylvain Cambreling conducting and in the staging by Luis Pasquel; a revival of Mozart's "Abduction From the Seraglio" in the Lyon Opera's production, staged by Georges Lavandani, Armin Jordan conducting, and a concert performance of Chabrier's "Iphigénie en Aulide" conducted by John Eliot Gardiner, with a cast including Anne Sofie von Otter, José van Dam, John Aler and Gilles Cachemaille. Oratorio and sacred works in the Cathédrale Saint-Sauveur include Durufle's "Requiem" and Handel's "Alexander's Feast," Monteverdi's "Vespri" and a Purcell program, all conducted by Harry Christophers.

MARTIGNY

Toulouse-Lautrec in Switzerland

With works brought together from his mother's donation to the Musée d'Art et d'Archéologie and several Swiss private and public collections, Henri de Toulouse-Lautrec's cancan dancers, prostitutes and entertainers people the Pierre Giannada Foundation this summer. The familiar figures of La Goulue, Jane Avril, May Milton, Yvette Guilbert and Aristide Bruant, with his jaunty black cap and red scarf, need no introduction. The show accents the careful preparations for the highly colored posters of Paris night life he seemed to dash off without effort. Yet often, a portrait and two or three studies in oils were needed. Once the painter put his brush to the fast absorbing cardboard, retouching was almost impossible. Besides the lucid glimpses of the Paris night world in which Toulouse-Lautrec found refuge, there are oils, lithographs, early sketches of the horsey country living, riders and landscapes of his youth, illustrations, caricatures and the talented doodles in his Greek grammar. To Nov. 1.

(Marie Guinard)

BREGENZ

Offenbach on the Lake

The distinctive attribute of the Bregenz Festival (July 21-Aug. 24), in the chief city of Austria's western province of Vorarlberg, is the huge floating stage on Lake Constance, which this year is being used for a production of Offenbach's "Tales of Hoffmann," in a production by Jérôme Savary (of Grand Magic Circus fame) and conducted by Marc Soustrot. In the Festspielhaus, the opera production is Verdi's "Ernani," with a cast that includes Aprile Millo, Luis Lima, Renato Bruson and Paata Burchuladze; concerts by the Vienna Symphony Orchestra under Pierre, Leinsdorf, Frühbeck de Burgos and Kitayenko, and the Ballets de Marseille with Roland Petit's "Blue Angel."

NICE

Tiepolo Chez Matisse

Twenty major paintings by Giambattista Tiepolo, along with 10 drawings and sketches and 80 engravings, have been assembled by the Musée Matisse for an exhibition running to Oct. 31. Works by the dominant figure in 18th-century Venetian painting have been borrowed from the Ca' Rezzonico and the Accademia in Venice, the Prado in Madrid and the Petit Palais in Paris. During the same period, several of the museum's major works are on loan to the Museo Correr in Venice for the exhibition "Matisse and Italy."

Gilbert & George: A Particular View

We never have ideas. Our works are created without commonsense.

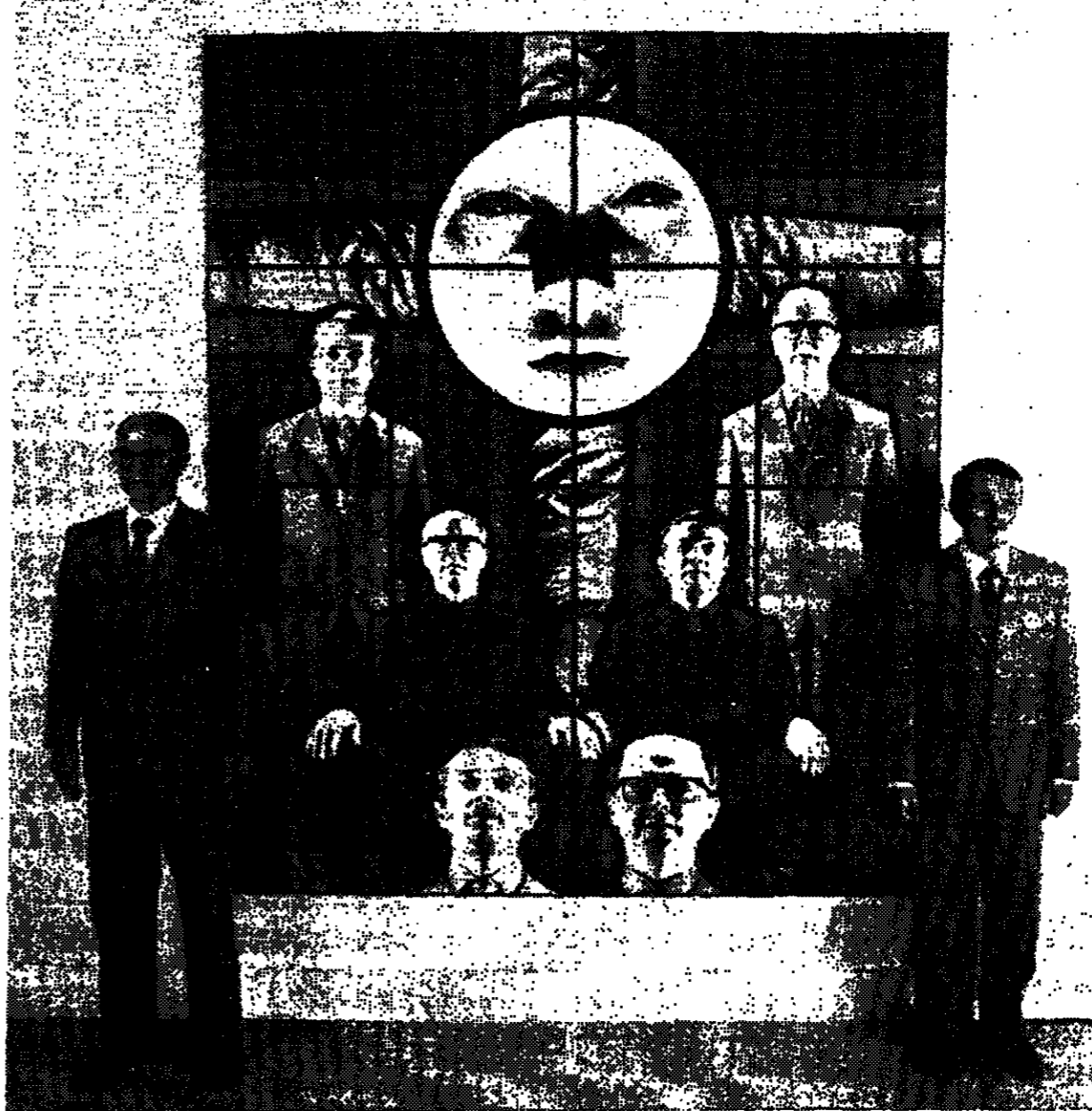
by Polly Devlin

LONDON — When one walks into the Gilbert and George show at the Hayward Gallery, one is filled with dread and alarm. For to enter these big rooms full of light streaming as it were, through stained glass, is like entering a cathedral. Instead we find here an anti-cathedral, a temple to the profane and even to the damned, and responses go onto red alert. Perhaps that is a measure of the power of the show, since it is posited only on the present, and a state of alarm is a condition many people live in day by day. But what a lonely, truncated and stunted place this present is.

Everything that is ordinarily human and womanly in me bewails this exhibition. Because for all its bright and primary colors, it shrieks despair, because in its reach — or lack of it — it intimidates; and because far from doing what Gilbert and George profess and aspire to do, which is to "speak across the barriers of knowledge directly to the People about their Life," they speak to me and the like of me not at all, for I do not, being a woman, exist. Indeed Gilbert and George, binary artist and human sculptors ("We don't collaborate, we are an artist"), are reported as having said that they would as soon have a fridge in their pictures as a woman. Woman becomes The Disappeared in these enormous homoerotic pictures. Which, after all, is the artist's prerogative, except that Gilbert and George harp on about their generosity towards the human race. Apart from their all-pervasive selves, their images are of young, aggressive or supplicant men. The pictures are composed of specially colored photographs, mounted under a grid — hence the stained glass effect. Gilbert and George are now ensconced in an apartment state of starchy in the pantheon of 20th-century art, and indeed have been ever since they emerged fully fledged and covered in bronze paint from St. Martin's School of Art, London, in 1969, avoiding all labels and bent on creating a new democratic art in a demotic language and inhabiting a world where everything is given the same left and significance, whether it is death or defecation. Thus, a picture of shit is given the same dimension as that of a tree or a floating flower, or Christ.

"On leaving college and being without a penny we were just there," they are quoted as saying in the catalogue. "Just the two physical presences Gilbert and George. We put on metallic makeup and became sculptures. Two bronze sculptures. Now we are speaking sculptures. Our whole life is one big sculpture." Their most famous manifestation at this period was performed to a 78-rpm recording of "Underneath the Arches" — a tune that carries more than nostalgic music hall messages with it. When the song finished Gilbert, George, whichever, would get down from the living sculptures pedestal, rewind the tape and repeat the routine for anywhere up to eight hours without deviation.

It is a measure of their success and acceptance that in November 1986 Gilbert and George won the Turner Prize as three hundred years." George looks both fanatic and bored. "From what we've seen music is a hindrance." My question is utterly inappropriate in their beautiful dead house in the East End of London where these two men, who seem deliberately to have robotized themselves into the opposite of exquisites, live among a vast collection of Aesthetic movement objects and furniture, but no domestic clutter at all. They have eliminated as much of the mess of human daily existence from their lives as possible; they have horrible style if only because they avoid the trappings of style so impeccably. They eat in the same café each day; wear the same somewhat Orwellian uniform of gray suits and floral ties and highly polished brown shoes. Gilbert is Italian, George English, and they were both prodigies but neither nationality nor their past really counts. They are nothing but Gilbert and George.



Gilbert & George flanking their photopiece picture "We."

the artists who had made the most significant contribution to British art during the preceding year.

The show at the Hayward — "Gilbert and George Pictures" — has already been seen in Bordeaux, Basel, Brussels, Madrid and Munich. There is another large exhibition running concurrently at the Anthony d'Offay Gallery of their more recent work. D'Offay is more like an eminence grise for artists than a dealer; he seems to inaugurate and inspire his artists if only through his own passion, and the huge panels on show there, even though they have titles like "Doom," seem paradoxically much less despairing, altogether less threatening and more beautiful than those in the Hayward.

There is a story about Lenin that tells a good deal more about the man than perhaps one wants to know; that he didn't want to listen to music or read poetry, because it might divert him or soften his heart. In a morning's talk with Gilbert and George I heard the same things and remembered Yeats's lines, "The best lack all conviction, while the worst are full of passionate intensity." Gilbert and George do not listen to music. There is a *saeva indignatio* at the very question. "Certainly not. It is bad for the brain. We disapprove of the general rule that allows people to escape from reality and from the better, truer understanding of themselves." "What about Mozart?" I venture foolishly, Gilbert snorts, "Mozart. He's been dead for

three hundred years." George looks both fanatic and bored. "From what we've seen music is a hindrance."

My question is utterly inappropriate in their beautiful dead house in the East End of London where these two men, who seem deliberately to have robotized themselves into the opposite of exquisites, live among a vast collection of Aesthetic movement objects and furniture, but no domestic clutter at all. They have eliminated as much of the mess of human daily existence from their lives as possible; they have horrible style if only because they avoid the trappings of style so impeccably. They eat in the same café each day; wear the same somewhat Orwellian uniform of gray suits and floral ties and highly polished brown shoes. Gilbert is Italian, George English, and they were both prodigies but neither nationality nor their past really counts. They are nothing but Gilbert and George.

I asked them whence came their ideas and inspiration. "We never have ideas. We work without consideration. Our works are created without common sense. We have our images from inside our head and we put it together piece by piece. We have a finished sense of how the piece will be when we start. We are moving at enormous speed toward the grave and we still have to reach a lot of people."

Geography and time and accident brought them together — not fate. "We don't have those sort of spooky feelings.

We're rather ordinary lower class people, and we don't go in for that sort of thing."

"What sort of thing?" I ask wildly, because when you miss the point a suppressed rage gushes off George like a wind off marshes. (Very suppressed, because they live up to their inhuman manifesto: "Always be smartly dressed, well-groomed, relaxed, friendly, polite and in complete control.") "All those spooky feelings about mysteries in art. We simply accept life as it is."

"We're not involved with pleasure" they agree. "We know no one more miserable than we are," George adds. "I think good artists are only involved in unhappiness." They seem unperturbed. They are not interested in art as an exploration of the artist's soul or the artist's psyche. "That's selfish," says George, his eyes assuming an almost prereflective stare. At other times George's eyes could cut cold steel. "We're not involved in self service. We're not interested in improving our talent. The role of an artist is to look at life and improve what he thinks needs changing. An artist is trying to develop the idea of life. We have a highly developed sense of duty and service and purpose, and we are great believers in giving something in return for the gift of life. There are people who want to give and those who want to take, and the artist is a giver and must give himself entirely without sense of self. We are who we are and our art is for the viewer. Decadent

art speaks in a language that excludes people on class, age and race. Our art is fair to people. It is democratic. Art always was for the people; in earlier times, in medieval times, the peasants loved art, but then art began to serve the church, then the toffs.

"Our art encompasses people. Puzzling, obscure and form-obsessed art is decadent and a cruel denial of the life of the people. When we make a work of art we allow for the viewer. The viewer is part of it; we make pictures to encourage and to change people and everyone is changed by seeing our pictures. They can't help but be, if you go to India you come back changed. If you see our pictures you are changed.

"Betterment is the essence of Western civilization. There has never been such a high state of development as now. The world is changing for the better all the time."

They look surprised at my skepticism. "Do you mean that literally?" I say. "Is 1987, in your eyes, the apogee of human civilization?"

"Well not necessarily 1987," Gilbert says. "Any given year is the best year yet."

"What about 1943?" I ask.

"We would say that it was always the best whatever year it was," George says.

"Not if you were Jewish" I say.

"Well even Jewish people are fascinated by the recent history of war," George explains. "And life isn't divided into the good and the bad for us. We honor all its forms. We are not here to fight evil and do good. We're anti-artists who reflect life. Art has to be artificial.

"Just having different views is so difficult. If you're an artist you are going to be hurt. We get very frightened by criticism — an unhappy sickly feeling. Our foundations are shaken when we are attacked but we keep on because we know we are right. We have fought tooth and nail, day by day, we have clawed against tremendous opposition; but can you name an artist who has advanced civilization who hasn't met with tremendous opposition?"

It is rare for living artists to have a full scale exhibition at the Hayward, the Arts Council's showpiece gallery on the South Bank. "The Hayward Gallery — what an opportunity for the nation to see the work of living artists — but it rarely happens." George shakes his head and would, one feels, register pain, had they not apparently convalesced not to register human emotions.

"Can you name a living artist who has had a major show there?" I mention the Boyle family. "Ah, but that wasn't the main show," George points out. "When I was a child living in Oxford I wanted to see modern art but there was nowhere I could go to see it; I could see any amount of stuffed fish and dead birds and old pictures but I couldn't see the work that was being done in the present, the art going on around us and which was part of life. An art exhibition ideally provides the opportunity for freedom and thought that wouldn't anywhere else be possible, it's a different kind of chance."

It also provides a space for the viewer to respond in friendship to their Art, which is another of their aims. "Each picture speaks of a 'Particular View' which the viewer may consider in the light of his own life. The true function of Art is to bring about new understanding, progress and advancement." There is no doubting Gilbert and George's appalling sincerity.

Gilbert and George Pictures 1982-1986 is at the Hayward Gallery until Sept. 27; their work is also at Anthony d'Offay, 9 and 23 Dering Street, New Bond Street, London W.1.

Polly Devlin is a writer based in London.

The New Wizards and their Avant-Magic

by Glenn Collins

STANDING silently in a Las Vegas boardroom, Penn & Teller, the new-wave co-conspirators, are facing the ordeal of their lives. They're on trial, hauled before the Magicians' Board of Appeals to face charges that the two performers have committed sins against the hallowed traditions of the magic profession. Some of the crimes are shocking indeed — such as exposing the secrets of magic. But even the minor crimes are scarcely forgivable: for example, Penn & Teller have publicly referred to card tricks as "intrinsically wimpy."

"Fourthly," the head magician intones, "you shall be stripped of your doves, your rabbits and your mirrored boxes." "But we don't use any doves, rabbits or mirrored boxes!" counters Penn Jillette. The head magician restrains his anger at such impertinence, and continues: "Furthermore, you can no longer call yourselves magicians." "But we don't call ourselves magicians!" says Jillette. Unable to restrain his wrath any longer, the head magician begins shouting "Guilty! Guilty!" as the Magicians' Board of Appeals demands the maximum penalty. "And so — demands the magicians try to kill us," said Jillette delightedly, as he recounted the wholly fictitious doings of the mythical magicians' board. This is his favorite scene from "Penn & Teller Get Killed," the soon-to-be-filmed movie in which Jillette (the large, verbal, abrasive one) and his partner, Teller (the diminutive, silent, lovable one), are, as it might be expected, the stars. This scene, though fantasy, is an accurate reflection of the paradoxical state of magic. This ancient form of dramatic entertainment, an actor's art as old as man, has been undergoing a surprising renaissance.

Magicians as disparate as Doug Henning and David Copperfield have won large audiences on stage and television; magicians have become fixtures on shows with perky demographics, like "Late Night With David Letterman" and "Saturday Night Live"; and a former street magician, Harry Anderson, has become the star of a mainstream television hit, "Night Court." These days, scarcely a comedy club in the United States is without a magician in its lineup, and last month, the Las Vegas performers Siegfried and Roy signed a \$7.5 million contract to make their magic show the featured attraction of Steve Wynn's new Golden Nugget casino resort.

Yet the irony is that some of the most celebrated young magicians — exemplars of "the new magic" or "avant-magic," as it is being billed — have rejected significant elements of the magical tradition. Some are even saying they feel uncomfortable about being associated with the word magic. "We think of it as the M word," said Jillette. "A lot of people who come to our show say, 'If I'd known you were magicians, I'd never have come.'" New York audiences will have an opportunity to see the art of a new generation of performers at the New York Sheraton Center in Manhattan. Six revue-style shows, titled "New Vaudeville Magic," will be performed for the public, starting Friday at the hotel's Imperial Theater. In a culture that has reduced most of its institutions to the status of talk-show-monologue material, it is hardly surprising that the traditional magician has become a target of opportunity. "The magician as descendant of the shaman — who has the aspect of the unsmiling, bearded, august and majestic figure — perhaps we've rejected that," said the writer John Updike, no stranger to the supernatural, as was evident in his 1984 novel "The Witches of Eastwick." "That isn't too hip now. It may be that the world is less religious and less open to the idea of the magician with miraculous powers." And yet, the conjurer's art — performed

live, before real audiences by actual magicians — endures stubbornly and illogically in an age when millions can rent videotapes that show Hollywood miracles performed by special-effects wizards. The essence of magic now, as in the past, is fooling people. Curiously, though, it is a characteristic of some of today's most interesting young magicians that "you may very well be fooled, but the new magic does not have the goal of fooling you," said Adam Fleischer, producer of the "New Vaudeville Magic" revue. "Magic is often the tool to reach a certain level of theatrical experience." In the old magic act "it used to be production — vanish, production — vanish," said Vito Lupo, using the magician's terms for the appearance and disappearance of objects, animals and people. "Now magicians are taking the tricks and connecting them to other images that are inside your head, that affect you on a deeper level."

For Lupo, that meant creating a whimsical Pierrot persona that mixed mime and magic in a way that tested the boundaries of traditional performance categories. "The mimes called me a magician, and the magicians called me a mime," he said, but in 1979 he went on to become the first American to win the Grand Prix award in stage magic at the Federation of International Societies of Magic competition in Brussels. Although the comedy magician was a staple of vaudeville, to some observers it is the talking comedians of contemporary magic who are doing some surprisingly radical things. Among them are Penn & Teller. During their show — an Off Broadway phenomenon for 22 weeks that is now touring the country — the team reserves special venom for the "hocus-pocus profession," as Variety calls it. "The old magician, he's a guy who somehow got into the hobby when he was 12," said Teller, an Amherst-educated former high school teacher of Latin and Greek. (Teller is his full name as it appears on his passport, he says. But since Visa insisted on

two names, his Visa card reads "Mr. Teller.") Penn & Teller do magic but claim that they are not magicians; instead, they insist they perform some new unclassifiable entertainment genre called, well, "Penn & Teller." "In our show we tell people, 'We are swindling you,' and that offends a lot of magicians," said Jillette. "We enjoy taking revenge on the magic community by breaking the fundamental rules of magic." For example, in exposing how one of the most ancient of conjurer's tricks, cups and balls — the shell game — is performed, Penn & Teller break the following rules: "Never do something twice," Jillette said, "never tip the gaff to the lay public, never let the audience see your preparation — and never, never do the cups and balls with clear-plastic cups!"

Aside from the self-referential twist to some of the contemporary magicians' performances, there is also a more willfully analytical quality in their approach to magic," said Max Maven, a mentalist who has created illusions and written material for many magicians, including David Copperfield and Penn & Teller. For example, Maven and Teller have been known to talk into the wee hours of the morning about such things as the relationship between their work and Greek theater — a conversation that might have seemed less than engaging to many of the old vaudevillians. The black hole of television exerts a powerful pull on the new crop of magicians, who know that David Copperfield and Doug Henning have won large audiences for their television specials. "There is a built-in irony and ambiguity in magic," said Teller, "which imparts a strange sensation. It does funny things to your mind, you lose your place in the world, your sense of who you are. But you have to be there, use your own eyeballs. If you see the same thing on television, well, it's like seeing 'My Favorite Martian.'"



Vito Lupo — a Pierrot mixing mime and magic.

Women's Images Dominate Arles Photography

C.G. Cupic

ARLES, France—Françoise Hugnier was, at the age of 10, taken captive by Vietnamese guerrillas and held for more than a year. Nan Goldin, when 12 years old, overheard her parents tell police that her sister's suicide should be presented to the neighbors and the children as an accident. Evelyn Richter saw her primary school, one after another, turn into auxiliary hospitals during World War II in Germany. Dominique Issermann had a happy childhood in her comfortable Parisian home.

The four, today renowned photographers, are featured at the 18th Rencontres of international photography in Arles.

Although many women photographers have made their impact at previous festivals in Arles, this is the first time that they really dominate.

François Ebel, the artistic director of the festival and the organizer of the 25 exhibitions and six evening projections at the Théâtre Antique, finds that "women's influence this year is perfectly natural. Photographic expression is becoming more intimate and it seems normal that women photographers bring their touch. They definitely have different sensibility and the public is very receptive to their work. Only after we made the final list of the exhibitions and the shows, did I realized the importance of women photographers and their numbers this year. Besides, they are all very, very good."

"I was raised on the rubber plantation my parents had in Vietnam," says Françoise Hugnier. "Our house was surrounded by barbed wire which soldiers posted around the perimeter. My father kept a gun under the pillow. We often went outside the house perimeter, Vietnamese dressed in green took me with them. We marched for days soaking wet under monsoon rain. Later on I learned that we went to Cambodia."

"I was the only child in the camp, and I soon became their mascot. They had a flag raising ceremony every day and I was the

one who raised the flag. I could wander around the camp freely, they always kept the best food for me and from time to time they brought me news from my parents. I also learned Vietnamese and Khmer."

"I never saw any fighting but from time to time one could hear the gunfire around the camp. Sometimes they brought in men who had legs or arms missing."

"After a long, long time we moved again, and after days of walking came to a river. They sent me across alone in a small boat while another boat full of Vietnamese left the opposite bank. A lot of French soldiers and my parents waited for me on the other side. I did not know if I was happy to see them, I could hardly speak French."

"A few days later, as we were preparing to leave Vietnam for good, there was suddenly a great commotion among our Vietnam servants. One of them brought me a small packet. Inside was a photograph of me in green battle dress. That was a goodbye present from my captors."

"Subconsciously, my future was marked for me. I was to become a photographer."

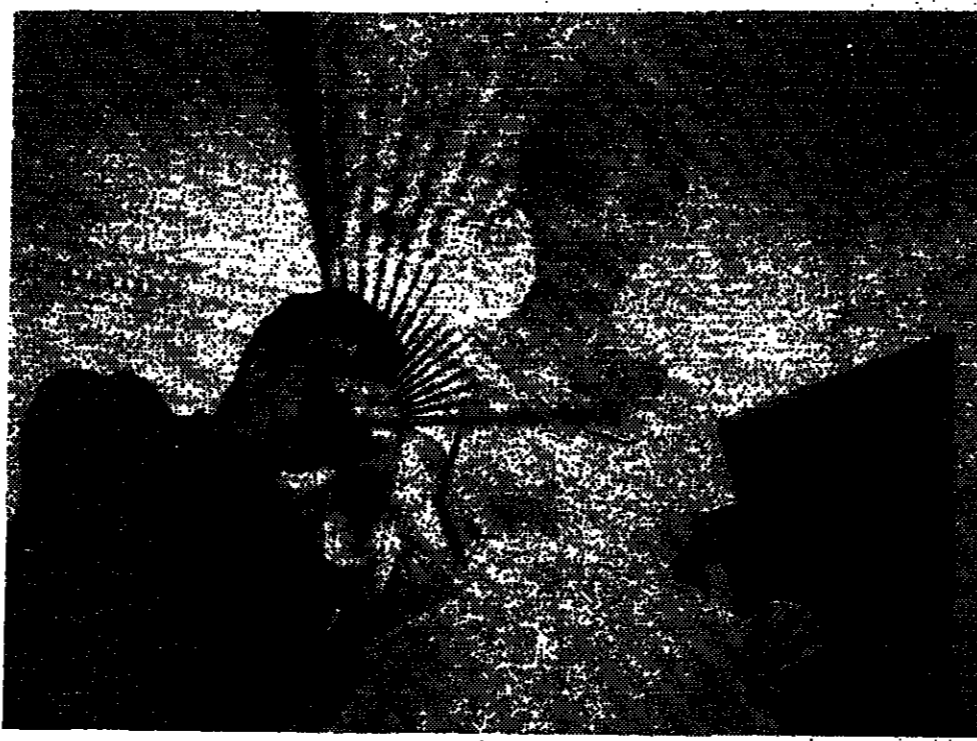
Hugnier's pictures from Africa and Asia are very universal and very personal. The fashion work she has done for the Paris daily Liberation brings expensive and exclusive attire close to everyday life through her settings. Her warmth translates into her work with ease and elegance, and brings out the best in her models and sitters.

Nan Goldin battles for emotional survival, physical integrity and sanity. With the help of her camera she records moments of complicity, love and break-ups. She was trusted, loved, beaten and abandoned.

"Photography serves me for my visual diary, a proof that I exist as a person and that I am part of a group. Something that will record my existence such as it was. What I feel in my life is a part of my private written diary."

"My pictures deal with my relationships, those of my friends, the eternal battles of sexes, the relations between women, men, and children. They are all intense and very different."

A middle-class child put into a foster home at the age of 13, Goldin



Françoise Hugnier



Nan Goldin



Dominique Issermann

went to a Summerhill type of school, got interested in films, and found that photos record her existence best.

"I cannot take a picture of somebody unless I am part of their life. I cannot come from the outside and tell them to hug each other, snap it and say goodbye. I have to be a part of the picture in every sense of the word."

The break-up of an important relationship prompted her to check on 10 years of her photos. As a result, Aperture of New York published a fascinating book called

"The Ballad of Sexual Dependence."

Monday, at the open air slide presentation at the Roman theater, a 15-minute projection of works by the East German photographer Evelyn Richter stole the show with her grainy black and white pictures of ordinary life in East Germany.

"One sees with one's eyes, thinks with one's mind and feels with heart. Creativity is a mixture of the three," says Richter.

The lack of photo material and accessories forced her to compose

her images in her mind during the austere postwar years.

"We were destroyed, we were poor and we did not have enough bread. My formative years were spent learning through seeing, and we had nothing to experiment with. The books were burned by the Nazis, the cities were destroyed during the war, our cultural center, Dresden, was in the ashes after the Allies bombed it. As a child I lived in the countryside and did not see destruction being done, I only saw the results."

"During the 1950s we often went to West Berlin. There I saw the 'Family of Man' exhibition that was set up by Edward Steichen. I was an art student and after that the photo became my profession."

She worked for the newspapers and the magazines and ended up being professor of photography at the University of Leipzig.

Dominique Issermann's fashion pictures are innovative and refreshing. She controls the slightest details in her pictures to the point of mania. The dress must be right, the setting mysterious and exquisite, the light transparent. Once taken out of the fashion context and commercial advertising atmosphere, her work is fine art photography.

Native American Art

by Sheryl Koruman

PARIS—Visitors to Paris who prowl the boutiques of Les Halles in search of cheap imitation American Indian jewelry will find it (made in Pakistan), but this month they can see the real thing in a traveling exhibit of Native American art and artifacts assembled by the Denver Art Museum in Colorado.

The exhibit, "The American Indians: Objects of Art and Daily Life," is at Art 4, Patrimoine du Monde, an underground gallery at La Defense, the suburban business and residential complex.

Much of American Indian art, like the Native Americans themselves, has not survived. Most of what remains is either privately owned or stored in collections developed by colleges and universities.

This collection represents objects created in the late 19th and early 20th centuries. It is accompanied by black-and-white photographs of Native Americans wearing or displaying the same kinds of objects as those on exhibit.

Rather than concentrating on ceramics and jewelry, which would have been easy, the show also provides a study of baskets, sculpture and clothing, along with pottery and rings, bracelets, brooches and necklaces.

Rare items, like kachina dolls and masks are included, along with the work of the prolific Navajos, whose ornaments and blankets have survived in greater numbers simply because they have.

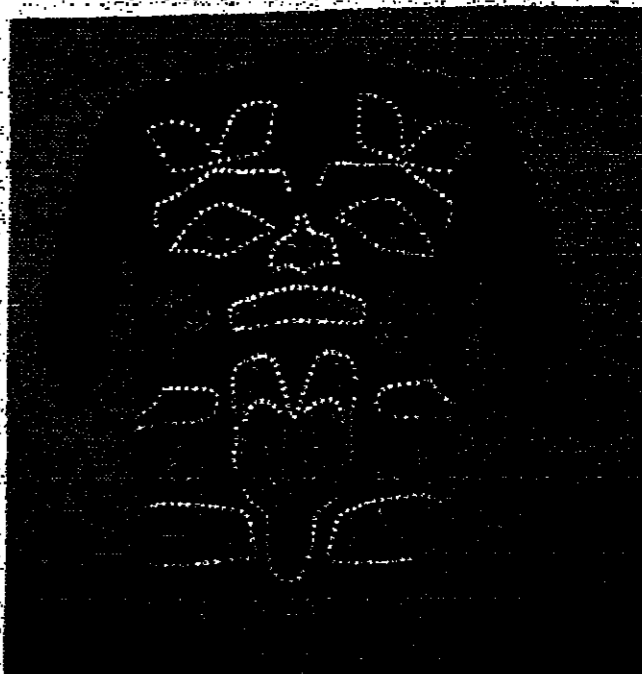
To transform the exhibit into a lesson in the evolution of a people rather than an homage to a particular style of design, the curator of Native Art at the Denver Museum, Richard Conn, has organized items not by tribe but by object. Even so, he has managed to include an impressive array of utilitarian and decorative objects from Indian tribes not only of the Southwest and Great Plains, but of tribes scattered in Alaska, Canada and New England.

Along with the widely copied silver and turquoise of the Navajos of Arizona are more obscure pieces, a hat made by the Haida of British Columbia, a sewing basket made by the Maliseet of New Brunswick, Maine.

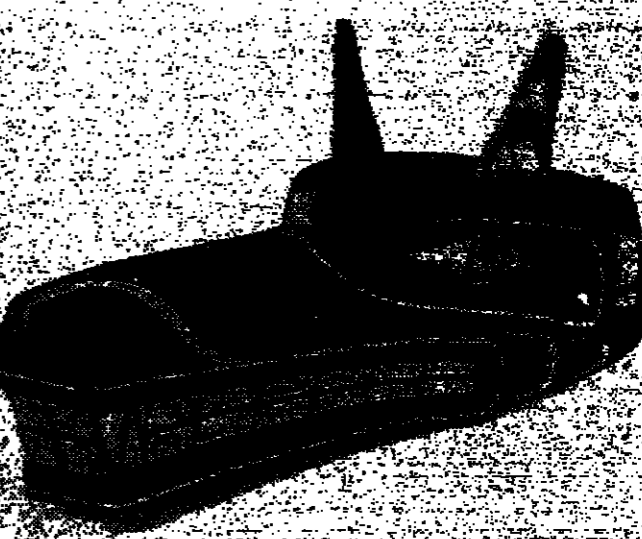
To help even the most worldly visitor follow the geographic spread of the tribes, a ceiling to floor map of North America, indicating the primary locations of each, has been painted on the wall. A copy of the map is provided for each visitor.

Perhaps the most surprising aspect of the exhibit is the display of ornately beaded clothing made by Indians, using beads and silk provided by friendly Western European explorers. The Native Americans, Conn points out, were eager to discover new materials and enjoyed finding innovative ways to incorporate them in their designs.

How natural materials, especially animal skins, clay, furs and metals were used to fashion elaborate costumes and baskets and bowls with intricate designs show the Indians' ability to work patiently with materials that took weeks to prepare and to create designs that reveal a vocabulary of symbols, all of which had meaning beyond the decorative aspect of the object.



Man's celebration tunic, 1900, British Columbia



A wolf mask from British Columbia, c. 1890

Among the more unusual pieces on display are ceremonial masks made by the Tlingits of Alaska and others.

Mesquero, Conn says in his catalog essay accompanying the collection, is an enduring concept and Indians, like other groups of people with strong identities, enjoyed "becoming other people" if only temporarily. Masks, along with other costume changes, helped them transform themselves into tribal heroes, supernatural legends and gods. Some masks were made just for amusement.

A few impressive pieces of sculpture seem to be one-of-a-kind. The bust of a musical conductor and member of an Alaskan tribe is a green-and-red, dog-like creature mounted on the end of an unadorned rounded stick. The thick red tongue of the beast is fully extended and measures about 15 inches long and at least two inches thick (30 by 7 centimeters). Another piece, a ceremonial pipe of the Ojibwa of the Great Lakes region, is three feet long and features a carefully detailed black buffalo whose hump was used to house tobacco.

Whether or not any of this is art, Conn says, is not at issue here. To Native Americans, the distinction between fine arts and applied arts did not exist separate from other traditions of daily life. Some objects were created for utilitarian purposes, but they were highly decorated to give spiritual and aesthetic pleasure.

If you miss "Les Indiens D'Amérique," which ends July 31, there is a museum-quality collection of Southwest Indian art, including a selection of Zuni fetiches, at a retail shop at 7 rue des Fossés, Saint Marcel.

The Navajo turquoise shop was created by an American 13 years ago who has since moved back to the United States, where she continues to buy jewelry, baskets and sculptures from Indian families in Arizona and New Mexico.

Maitte Foulon, who has been running the Paris store for 11 years, said customers include private collectors as well as French bikers in leather and denim who are looking for chunky rings and bracelets they say American bikers wear in American movies.

"The American Indians: Objects of Art and Daily Life" (Les Indiens d'Amérique: Les Objets d'Art et de la Vie Quotidienne) is at Art 4, 15 Place de la Defense, La Defense 4, until July 31.

Sheryl Koruman is an American journalist traveling in Europe.



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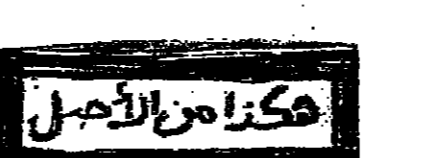
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WEEKEND

Remembering Truman Capote

by Thomas Quinn Curtiss

PARIS — Jack Dumphy, long a companion of Truman Capote and heir to his late friend's estate, came to Paris recently to revisit the places that the two had visited in the 1930s and 1960s when they traveled together and lived for some years in Europe. Dumphy, a distinguished novelist himself, was putting the finishing touches to his memoir of his association with Capote, he calls it "Dear Genius..." and McGraw-Hill is publishing it in the autumn.

Dumphy reports that writing about Capote is becoming an American industry. Six authors are toiling on biographies. Some of these never met him and others knew him only slightly. However, as Capote was constantly in the news from the appearance of his first novel, "Other Voices, Other Rooms," in 1948 until his last years when his inebriated comportment on television and in lecture halls made the front pages, there is probably sufficient material for another 20 volumes.

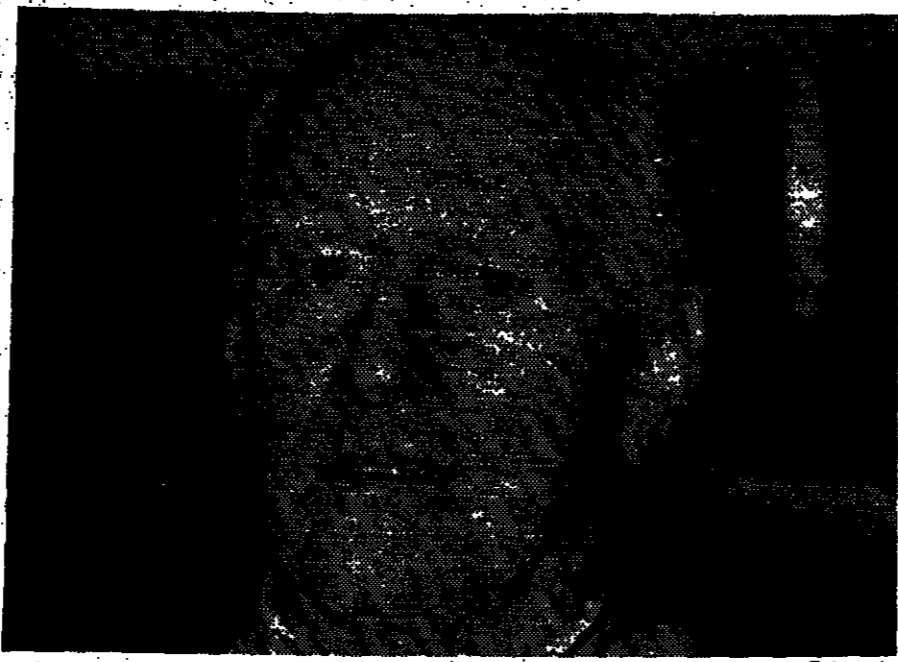
Dumphy refers to his memoir as a sort of "miracle play." Actually it is more like a mystery play. In Dumphy's reminiscences Capote is the center of a complex story of a groping search for identity. Dumphy introduces himself as a dual character, pictured sometimes as a confident of Capote and sometimes as a priest of shaky faith who strives to fulfill his duties as a brothy keeper.

Capote was born in New Orleans. He grew up in the care of his alcoholic mother and her second husband, a shady gambler but a kind stepfather. An omnivorous reader with enormous curiosity, he taught himself. He never attended a college training would have been a waste of his time. When the family moved to New York he secured a job as an office boy at The New Yorker. Soon his stories were in the magazine's pages and his reputation in Vogue and Harper's Bazaar.

Short and stocky, the tawny hair on his large head was cut in bangs, giving his round face a baby aspect. He dressed any which way, but there was chic in the casual manner with which he wore his pre-hippie get-ups. His voice was that of a child, high-pitched and having a trace of mush-mouthed Southern drawl. He gesticulated broadly as he held forth, but what he said was provocative and amusing. He described those he spoke of with expert mimicry.

I met him first in a photographer's studio after his first novel had come out. Rumor of its importance ran before it and there were bids for film rights. Darryl Zanuck bought the rights sight unseen for a fancy price. "After he read it he said the only picture in it was on the cover," Capote giggled.

The book's jacket had a photograph showing the author lounging in a hammock in a moorish waistcoat. This photo was reproduced in ads and accompanied reviews of the novel, introducing the latest literary star to the public as a petulant baby-faced dandy



Jack Dumphy (above) and Truman Capote at his desk, around 1970. "Is he trying to commit suicide in public?" Tennessee Williams asked.

starting in wide-eyed surprise at his audience. It caused quite a stir.

Capote captured so much newspaper space that a reader complained that the only information one could find in the dailies was either about Harry Truman, then president of the United States, or Truman Capote. Gossip columns were filled with his quips and he became the pet of cafe society and society hostesses. A good mixer, he was soon mixing with those at the top, multimillionaires, the "beautiful people" and movie stars.

It was at this time that he and Dumphy met. Dumphy had just published his first novel: "John Fury," which dealt with Irish-American family life in his native town, Philadelphia. He was a more rugged individualist than Capote, contemptuous of the mundane set that had taken up the wonder boy from the South. Dumphy was an athlete and a professional dancer and had appeared with his wife, Joan McCracken, in the hit musical, "Oklahoma." The two novice novelists decided to travel together in Italy and Greece.

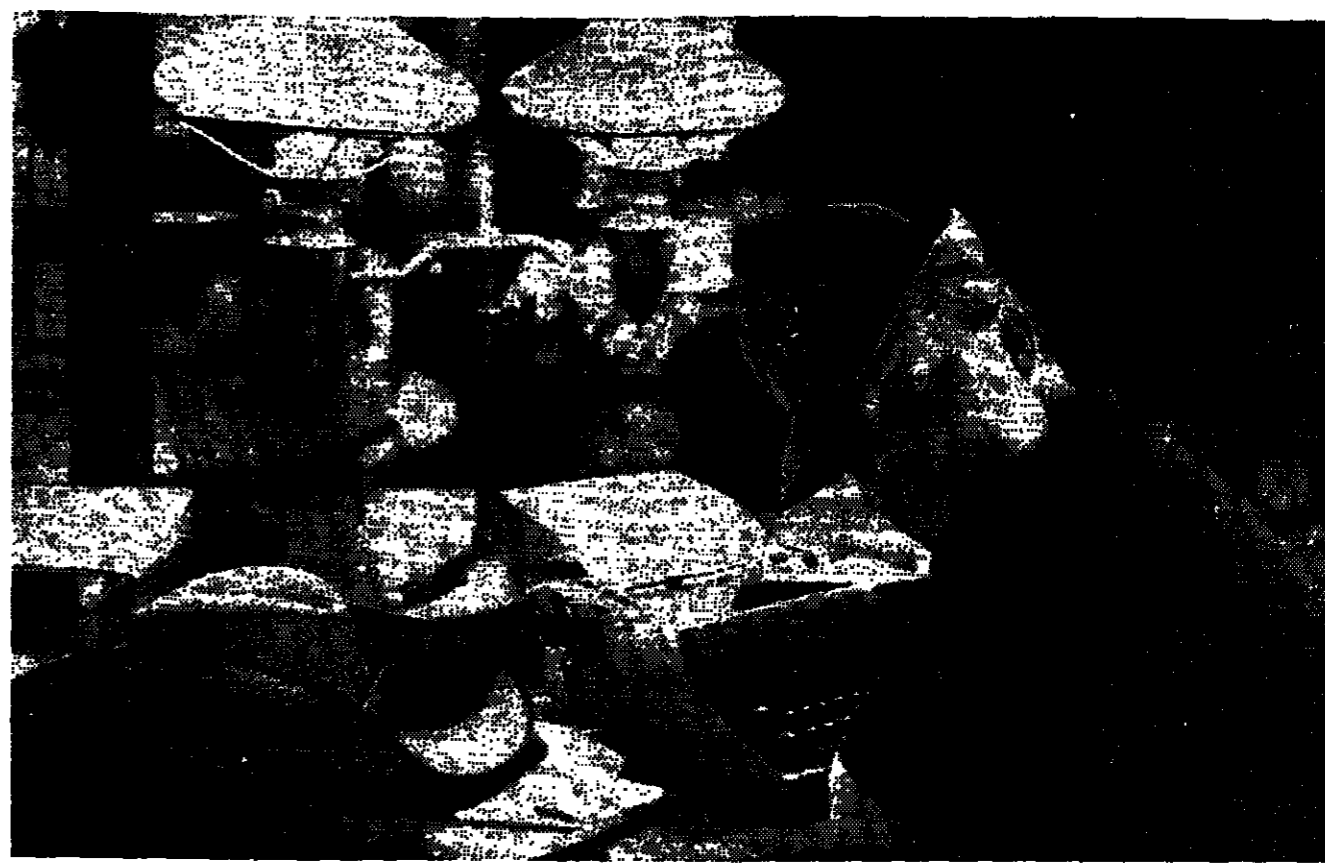
In the summer of 1950 I happened on them in Sicily. They were sharing a villa in the Taormina hills with a garden of almond and orange trees and an entrancing name: Fontana Vecchia.

"All summer there were fire-works on saints' days and the dark blue sky was tapestried with gushing chrysantheums and leaping stars above the quiet gleam of fishing boats working tirelessly as we played," writes Dumphy. But the two authors worked diligently. Capote completed a book on his travels to exotic lands, "Local Color," wrote "The Grass Harp," and outlined his next novel, "Breakfast at Tiffany's." Dumphy finished his second novel, "Friends and Vague Lovers."

After this fruitful session in self-imposed exile, Capote was seized with wanderlust. He went to Japan, then joined the "Porgy and Bess" troupe when it was invited to Russia. He recorded that East-West encounter with droll comment in his volume, "The Muses Are Heard."

He made his debut as a playwright with his dramatization of "The Grass Harp." It was lavishly produced on the New York stage with decor by Cecil Beaton and music by Virgil Thomson, but this delicate fantasy about two elderly aunts rearing their adolescent nephew in an Alabama village was too dreamy for Broadway. He followed it with "House of Flowers," a musical with a Harold Arlen score. Its setting was a vine-clustered brook in Port-au-Prince and it prospered for a season. Capote wanted to disown it, feeling that his whimsical libretto had been vulgarized into a vaudeville show for its star, Pearl Bailey. The theater, he sighed, was not for him.

Writing screen scripts was less trying and more lucrative. His scenario for the John Huston film, "Beat the Devil," brought him a small fortune and he enjoyed attending the location shooting in Italy. Later he was to appear in the movies as an actor and invaded television as a guest on talk shows. When his eye happened on a dispatch about a mass murder in Kansas he found the subject for what he has long had in mind: a nonfiction novel. A farmer, his wife and their two children had been slain by two drifters. Capote went to Kansas, holed up in a motel, interviewed the killers, relatives and neighbors of the victims, and studied the temper of the community. The trial dragged



and he flew off to ski in Switzerland to shape his observations for the story he would tell. He returned for the jury's verdict and witnessed the executions.

"In Cold Blood" created an immediate stir with its absorbing account of the crime and its punishment, and the sale of the book's film rights elevated Capote to high-tax status. The elated author celebrated his triumph by throwing a party that received worldwide attention: a masked ball at the Hotel Plaza. Everyone of prominence in the arts and in society was invited and all came. The wonder boy from the Alabama magnolia lands had found room at the top. The Plaza party was his apotheosis.

"In Cold Blood" enlarged his reputation as one of America's foremost authors and there was a curiosity about what he would do next. He had in mind a novel of epic scope about the rich and famous, the cosmopolitan smart set that guides fashions and trends. He was on intimate terms with most of its members and he envisioned a work comparable to Frost's masterpiece about the Parisian haute monde. He had selected a title: "Answered Prayers," inspired by the cautioning statement of Saint Theresa of Avila: "More tears are shed over answered prayers than unanswered ones."

Time passed without news of his progress on "Answered Prayers." However, several new stories gave evidence that his descriptive powers and insight were as sharp as ever. One of these, "Hand-Carved Coffins," a riveting, macabre novelette about revenge murders in a small town, is among his best work. A movie company purchased it for \$1 million and he was preparing its screenplay when he died.

Dumphy, in his memoir, switches from his

background narrative of Paris house disputes and sotto voce proselytizing to picture in lightning flashes the agonizing of the literary Icarus who flew too high. Shortly after the glamorous Plaza festivities Capote in tears confessed to his friend that he depended on drink for inspiration. A compulsive alcoholic, he committed himself to clinics for "cures," but on release he went back to the bottle. He would disappear on pub crawls. He took to traveling frantically, flying to California or Florida without discernable purpose. He was hospitalized again and again. He joined Alcoholics Anonymous, but continued to drink secretly. Finding no relief in alcohol he took to drugs as well.

In 1975, excerpts from "Answered Prayers" were printed in Esquire magazine. The articles — under the heading "Unspoiled Monsters" — shook the author's admirers. He defined these extracts from his work-in-progress as "tail pieces" and in them he reviled those in high places who had befriended him, pillorying them with such excess that his intended stinging satire fell into cheap burlesque. It was not difficult to identify who was who, though he transparently disguised his victims, but his caricatures distorted them into incredible creatures, monsters indeed. There was no literary distinction to these exposures of "the sin of society." Capote's smooth flowing style, deep and ripping, had vanished together with his manners, his sense of proportion, his subtle humor and his sympathetic understanding of human beings.

This mud-slinging, as might have been expected, closed the doors of the great houses on him. He explained his fatal gaffe childishly: "They knew I was a writer and they told me things."

His extravagant personality still fascinated the nation, though its society elite wanted to hear no more of him. The news about him, however, was bad news. His intoxication was often apparent when he was seen on television; he was arrested for drunken driving; and during a lecture at a Maryland university he had to be removed from the platform, drunk, incoherent and using obscene language.

"Is he trying to commit suicide in public?" inquired Tennessee Williams, who he had insulted in his "tail pieces." It appeared that he was.

Once in delirium he muttered a confused story about the theft of his precious manuscript. Dumphy nursed him, but, exasperated by his broken promises never to touch another drop, shouted at him.

"Do you know Thoreau's advice to the town drunk?"

"No, what?" Capote asked.

"Cut your throat!" Dumphy's explanation of his friend's violent attacks on those he had assiduously cultivated is simple: He went mad. The insane have the boon of irresponsibility, but other elements motivated his derangement. He was a non-conformist in continual contest with the status quo, the case of the artist of fearless independence. He had an open and nimble mind. He belonged to no clique. Both collective radical chic with its futile platitudes and WASPish law and order were alien to him. In his own fashion, he more effectively pleaded the cause of the excluded, the despised. He looked on life with a sense of childish wonder and saw things through an original temperament. He would have been a misfit in any society, as the authentic artist inevitably is.

INTERNATIONAL ARTS GUIDE

- BELGIUM: BRUSSELS: La Louve, Credit Général de Banque (tel: 516.12.11). To Sept. 4: Campaign Posters Between Two Wars. Musée Royaux d'Art et d'Histoire (tel: 733.96.10). To December 31: Chinese Porcelain. Palais des Beaux-Arts (tel: 512.50.45). To July 31: In search of the photo-novel: exposition of photos by Marie-Françoise Pissart. Travers (tel: 218.40.86). To July 31: Jazz photography: work by photographer Jacky Lepege. ENGLAND: LONDON: Barbican Centre (tel: 638.41.41). To July 19: A Paradise Lost. The Neo-Romantic Imagination in Britain, 1935-1955: A re-examination of Neo-Romantic art in Britain from the late 1930s to the mid 1950s focuses on painters, filmmakers, and photographers who eschewed Pop and Abstract art for more mystical and symbolic themes. Artists include Michael Ayrton, Cecil Collins, John Cranston, David Jones, John Minton and Carl Richards; photographers include Edwin Smith, Bill Brandt, John Piper and Paul Nash. Hayward Gallery (tel: 928.57.08). To Sept. 27: Pictures 1982-1986: retrospective of the work of British artists Gilbert and George. New Work: latest stages of the art of Gilbert and George. This rare exhibition of the work of contemporary artists includes work from their European tour which originated in Bordeaux. To Sept. 27: Masson Surrealist Paintings: 140 drawings by André Masson, one of the leaders of the Paris Surrealist movement. Many of the drawings, which cover the period 1922-74, have not previously been exhibited. Royal Academy of Arts (734.50.52). To Oct. 25: Master Drawings from the Jan Woodner Collection: The collection is made up of nearly every major school of European art over the last six hundred years, from the early Renaissance to the Impressionists. Italian Renaissance drawings include works by Fra Angelico, Leonardo, Raphael and Tiepolo. Durer, Hoffman, and Holbein the Younger are among the Northern School, and Dutch artists include van Goyen and Rembrandt. The French school is represented by Watteau, Redon, Cézanne, and Matisse. Tate Gallery (tel: 821.13.13). To: controversial Turner exhibition in the new Clare Gallery. FRANCE: PARIS: Centre Georges Pompidou (tel: 42.77.12.33). To Sept. 8: New Tendances in 20th Century Avant-Garde. To October 11: Drawings by Antonin Artaud. Galerie Schmit (tel: 42.60.36.36). To July 18: French Masters of the 19th and 20th Century: annual spring exhibition of French artists of the past two hundred years. Artists include Degas, Cézanne, Nicolas de Stael, Toulouse-Lautrec, etc. Grand Palais (tel: 42.61.54.10). To January 1988: The Third Eye of Jean Henri Lartigue: photography by contemporary French photographer Jen Henri Lartigue. To July 20: Tennis, Gold of the Pharaohs. Louvre des Antiquaires (tel: 42.97.27.00). To Sept. 5: The Painter Before His Mirror: Gérard Schurr collection of 222 self-portraits. To Sept. 21: Ornamentalists of the 19th to the 17th Centuries: drawings from the private collection of Edmond de Rothschild. Musée des Arts Décoratifs (tel: 42.60.32.14). To Aug. 30: Permanent collection and 20th century collection: presentation of pieces from the Drouot-Donation. Musée Carnavalet (tel: 42.72.21.13). To Sept. 9: Les Chartreux: works concerning the religious history of France. GERMANY: STUTTGART: Staatsgalerie (tel: 212.50.50). To Aug. 9: British Art in the 20th Century: exhibition of lesser known British artists in the period from 1910 to 1970, organized by the Royal Academy of Arts. ITALY: ROME: Galleria d'Arte Moderna. To September 6: Le Stanze della Memoria: pieces from the collection of worldly literary critic Mario Praz (1776-1870). VENEZIA: Museo Correr (tel: 25625). To Oct. 18: Matisse and Italy: impressive collection of Matisse paintings, drawings and sculpture (the 75 pieces of sculpture include all of his works in that medium). To Aug. 2: American Art in the 60s: exhibition from the Ludwig Museum in Cologne of works by 25 artists including Warhol, Lewitt, Dine, Stella, Noland and Paoletti. JAPAN: TOKYO: National Museum of Modern Art. To Aug. 9: 100 works on loan from museums in Munich, Paris, Moscow and New York. SCOTLAND: EDINBURGH: National Gallery (tel: 556.89.21). To Oct. 11: French Master Drawings from Stockholm: 125 works from the Swedish National Museum's distinguished collection of French 18th century drawings. Gallery of Modern Art. To Oct. 25: new Scottish Art work by over a dozen young Scottish artists. SPAIN: MADRID: Centro de Arte Reina Sofia. To Sept. 6: Fernando Botero Collection: 100 works from private collections by Colombian painter, Fernando Botero. To Sept. 15: Spanish Pavilion in the International Exhibition of 1937: exhibition recreates art and architecture of Civil War period, including Picasso, Calder, Miró and others. UNITED STATES: The Art Institute (tel: 443.36.24). To Sept. 6: 18th Century Turkish Art: 210 pieces of Turkish art during the period of "The Lawgiver" Sultan Suleyman. NEW YORK: Cooper-Hewitt Museum (tel: 860-6868). To July 19: Frank Lloyd Wright and the Johnson Wax Building: drawings, prints, furniture, and decorative arts. To Sept. 20: Robert Adam and Kelliston: the 18th century architect's drawings and paintings of the Neo-Palladian British mansion in Derbyshire. To Oct. 11: Art Nouveau Bing: an exhibition of 200 prints, posters, decorative art objects and furniture to illustrate the beginnings of Art Nouveau, and the international influence of Siegfried Bing (1838-1905), whose shop, L'Art Nouveau gave its name to the whole movement. July 28 to Nov. 8: Underground Images - Subway Posters: New York City's School of Visual Arts, celebrating its 40th anniversary, has organized an exhibition of subway posters designed by such graphic designers as Milton Glaser, Ivan Chermayeff, Paul Davis and others. The school is said to be the largest arts college in the country and has been especially innovative in the field of computer graphics. Guggenheim Museum (tel: 360.35.00). To Aug. 23: Joan Miro Retrospective: first retrospective of the artist work since his death, 150 pieces include paintings, drawings, ceramics and collages. Jewish Museum (tel: 860.1888). To Aug. 16: Chagall and the Bible: in honor of the centennial of Marc Chagall's birth comprises 105 etchings, a series of illustrations for the Bible begun in the 1930s and completed in the 1950s. The suite, recently acquired by the Jewish Museum, has rarely been exhibited in its totality. Accompanying the Bible prints will be a number of major works by Chagall — dating from his Fauve and Cubist periods through the late work of the 1980s — illustrating Chagall's lifelong interest in the Bible. Metropolitan Museum of Art (tel: 535.77.10). To July 31: Masterpieces of Sung and Yuan Calligraphy and Painting. To Sept. 6: Costumes from Costume Institute. To Jan, 1988: Houses for the Hereafter, Furnery Temples from Guerrero, Mexico. Museum of Modern Art (tel: 708.94.00). To Sept. 8: Bedriart 1961-1987: the last 25 years seen through 150 works of 29 Bedriart artists and 27 artists from other countries, including Georg Baselitz, Markus Lüpertz, Malcolm Morley, David Hockney, and Bernd Zimmer. To August 18: Selection of the publications of Russian artist Ilya Zdanovitch, focusing on his innovative book designs — 22 volumes done between 1923 and 1974 and illustrated by such artists as Jean Arp, Max Ernst, Alberto Giacometti, Henri Matisse, Joan Miró, Pablo Picasso and Jacques Villon. Morgan Library, (tel: 685.00.08). To July 31: European Decorative Arts from the Wadsworth Athenaeum in Hartford. To July 31: J.P. Morgan's Manuscripts and Montague Rhodes James. New York Public Library (tel: 212.76.76). To Sept. 4: A musical tribute to the Constitution in early editions, portraits, and other items. To Sept. 11: Tribute to Jerome Robbins. To Sept. 12: Original costumes and costume design by Dagmar Scharoberger. Whitney Museum of American Art, Madison Avenue at 75th Street (tel: 570.36.00). To Aug. 30: 20th Century American Art: highlights of the permanent collection. WASHINGTON, D.C.: National Gallery, (tel: 737.42.15). To July 26: Selections from the Windsor Royal Collection for the first time in Washington. Works include drawing by Italian masters Leonardo, Michelangelo, and Raphael.

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Thursdays NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued)

Table of stock prices for various companies, including columns for High, Low, and Change.

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Currency Options

Table of Currency Options prices for various currencies.

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Financial

Table of Financial data for various markets.

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Stock Indexes

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Company Results

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Paris Commodities

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London Commodities

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Dividends

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Large advertisement for International Herald Tribune featuring a logo and text.

Court Tells Tin Council To Reveal Value of Assets

LONDON — A British court said Thursday that the International Tin Council had behaved like a disreputable debtor toward creditors owed \$300 million (\$1.4 billion), and ordered the council to reveal the value and location of its assets in Britain.

The court, hearing a \$5 million claim from London Metal Exchange trader Maclaine Watson, criticized the ITC for failing to provide information on its assets, particularly bank accounts.

The London Metal Exchange, the major forum for tin trading, halted dealing in the metal in October 1985 after the ITC ran out of money to support a buffer stock that kept tin prices within a narrow range.

Maclaine Watson had tried to recover his money from the ITC's 22 member states but the court ruled last month the countries were not liable for the organization's debts.

FDP Threatens Lufthansa Clash

BONN — The Free Democratic Party, a junior member of West Germany's coalition government, attacked Thursday plans by a Bavarian state-controlled bank to take a 5 percent stake in Lufthansa AG and indicated the issue could provoke a clash within the federal government over financing for Airbus Industrie.

The party's general secretary, Helmut Haussmann, said that Bavaria's projected stake in the flag carrier, through Bayerische Landesbank, breached an agreement by the government to privatize state-held industry.

"We will not allow it," he said, adding that the FDP, in response, might oppose state funding for the German arm of Airbus, the European plane-making consortium.

U.S. Retailers Report Good Sales in June

NEW YORK — Warm weather and the Friday's Day holiday contributed to strong sales of apparel and generally favorable overall retail sales in June, the largest U.S. general retailers reported Thursday.

The largest retailer, Sears Roebuck & Co., reported its June sales rose 4.5 percent when compared with June 1986 figures, and sales for the 22 weeks ended July 4 were up 3.9 percent from the year-earlier period.

Kmart Corp. said its sales rose 6.5 percent in June and 4.4 percent in the 22-week period. Same-store sales, representing sales for stores open at least a year, rose 7.8 percent in June and 6 percent in the 22 weeks.

DM Futures Options

Table of DM Futures Options prices for various contracts.

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Table with 2 columns: Market/Instrument and Price/Rate. Includes AMEX prices, NYSE prices, Commodities, and Dividends.

FRIDAY, JULY 10, 1987

WALL STREET WATCH

Market, Buoyed by Record, Expected to Continue Climb

By VARTANIG G. VARTAN, New York Times Service

NEW YORK — Investors were cheered Wednesday as the Dow Jones industrial average, the most closely watched barometer of the stock market, rose 14.19 to a record 2,463.97.

Their optimistic appraisal is anchored on what they see as likely prospects of moderate inflation, modest economic growth and ample supplies of money to invest.

Only four postwar years witnessed gains exceeding 1987's opening half.

But market participants do not expect gains in the second half to match those of the first six months, when the Dow industrials charged ahead 27.56 percent, or 522.58 points, to finish at 2,418.53 on June 30.

For one thing, there is the sobering lesson of last year, when the Dow climbed 22.37 percent in the opening half and then limped through the final six months with a gain of 0.17 percent.

Only four entire years in the postwar era — 1954, 1958, 1975 and 1987 — witnessed gains exceeding the 27.56 percent advance of 1987's opening half.

My target for the Dow in the second half is 2,750 to 2,800," said Linda Newman, president of the Atlanta Capital Corp., a money management concern in New York.

"My target for the Dow is 2,700," said Greg A. Smith, investment strategist for Prudential-Bache Securities.

IF THE STOCK MARKET does not start to discount improved profits and depend less on a better credit market, Mr. Smith warned, "I think we are in for a rough road after the end of the summer."

One unusual feature of this bull market is that stock prices kept climbing without any improvement in overall corporate profits.

"The days of multiple-driven advances in stock prices are over, in our opinion," said Robert S. Scalet, Jr., head of equity research at Salomon Brothers.

When Shearson Lehman Brothers recently announced its list of 10 uncommon values in common stocks, Jack Rivkin, the director of research, suggested a trading range of 2,250 to 2,600 over the next 12 months.

Steven C. Lenthold, who heads the Lenthold Group, an investment advisory firm in Minneapolis, sees the market dangerously high in terms of historic norms for book value, dividend yield, price-earnings ratios and cash-flow multiples.

U.K. Bank In Talks With UBS

Hill Samuel Chief Resigns in Protest

By Peter Maass, International Herald Tribune

Hill Samuel Group PLC, the British merchant bank, said Thursday it is holding talks with Union Bank of Switzerland that could lead to a takeover bid by the Swiss bank.

The announcement of the talks brought a sharp jump in Hill Samuel's share price, and other British merchant bank stocks also rose.

Trading in Hill Samuel shares was briefly suspended Thursday morning to allow the firm to announce the talks and the resignation of Mr. Castleman.

Trading in Hill Samuel shares was briefly suspended Thursday morning to allow the firm to announce the talks and the resignation of Mr. Castleman.

The acquisition, if agreed on, would significantly increase UBS's position on the London and international financial scene.

"It would make them a pretty good deal," said a source at Hill Samuel, who declined to be named.

Soviet Sales Turn a Harsh Spotlight on Toshiba

Electronics Maker Hopes To Limit the Damage

Special to the Herald Tribune

TOKYO — For years, one word seemed to describe Toshiba Corp. best: stodgy. But under its chairman, Shoichi Saba and its president, Sogimiro Watari that seemed to be changing.

Now Toshiba is trying to shake off something more damaging: harsh Western criticism over revelations that a subsidiary sold sophisticated machinery with military applications to the Soviet Union.

According to U.S. officials, Toshiba Machine Co., a relatively small child of the parent company, violated Western security regulations covering exports of advanced machine tools to Communist countries.

After the sales were revealed, Toshiba Corp. tried hard to distance itself from its subsidiary. But the resignations of Mr. Saba and Mr. Watari after just 15 months in their posts underscored the parent company's sense of responsibility in the affair.

According to analysts, the loss of Mr. Saba, 68, and Mr. Watari, 62, will hurt Toshiba, although the full impact may be limited since both will remain as advisors to the company.

Company officials are not talking to the press. But Joichi Aoi, a 61-year-old senior executive vice president — usually considered a more crucial job in Japan than chairman — has said that if the sanctions come to pass, "a disastrous thing would take place."



Toshiba ex-chairman, Shoichi Saba, with the new president, Joichi Aoi, left.

Toshiba's exports to the United States — already suffering because of the dollar's plunge — account for an estimated 10 percent of the company's revenues.

In 1982, for example, Toshiba put into operation the first seeing robot. More recently, it became the first company to mass-produce one-megabit dynamic random access memory, or DRAM, chips, heralding the next generation of computers.

It is also one of the world's largest maker of consumer electronics goods — of which lap-earphones are a good example.

See TOSHIBA, Page 15

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See TOSHIBA, Page 15

Kongsberg: Out of the Shadows

By Juris Kaza, Special to the Herald Tribune

A/S Kongsberg Vapenfabrikk, the Norwegian arms maker, had until recently eluded controversy — even notice — almost as deftly as one of the nearly silent Soviet submarines that has the company in so much trouble with the United States.

But now its role in what is being called "the Toshiba affair" has made the state-owned company the subject of scrutiny and criticism on two continents.

Kongsberg, along with Toshiba Machine Co., violated Western security agreements by selling the Russians propeller-milling equipment that the advanced propellers, permit Soviet submarines to run more quietly and evade detection.

The incident, first disclosed in May, has embarrassed the Oslo government because the company is run by Norway's Ministry of Defense.

embarrassed the Oslo government because the company is run by Norway's Ministry of Defense. In recent weeks the Americans have been particularly critical of Norway's initial inquiry, which resulted in an indictment of one unidentified British employee of Kongsberg.

A Kongsberg spokesman said that no top managers had been removed or replaced as result of the sales to the Russians. However, the department involved in the sales has been disbanded.

In a new development on Wednesday, The New York Times reported that Oslo investigators were now examining more than 150 other shipments by Kongsberg to the Russians.

Thor Axelbush, the Norwegian prosecutor, told the Times that the Oslo authorities had confiscated thousands of pages of documents from Kongsberg and were trying to trace tools.

See KONGSBERG, Page 15

U.S. Bill On Trade Is Assailed

Europeans Say It Would Trigger Countermoves

Compiled by Our Staff From Dispatches

WASHINGTON — The European Community, after three days of inconclusive talks here, sharply criticized Thursday the trade legislation before the U.S. Congress.

The EC commissioner for external relations, Willy De Clercq, and the EC commissioner for agriculture, Frans Andriessen, made the attack in a statement issued after extensive talks with Senate and House leaders on the legislation.

The Europeans also seemed to reject President Ronald Reagan's call for a worldwide end to agricultural subsidies.

"A complete phasing out, exposing European farmers to all that's happening on the world market, is not a foreseeable situation," said Mr. Andriessen.

In Geneva on Monday, U.S. trade representatives proposed that agricultural subsidies worldwide be eliminated within 10 years, and all trade barriers end by the turn of the century.

Mr. De Clercq warned that passage of proposed protectionist trade legislation by Congress could lead to retaliation against U.S. exports to Europe.

The EC officials said in their statement that many of the proposals would affect the EC.

(Reuters, AFP)

Victory for Labor

The Senate, in a showdown vote Thursday between business and labor interests, refused to remove from the trade bill an amendment forcing big companies to give workers 60 days notice of plant closings or mass layoffs.

The U.S. Chamber of Commerce said it would not support the trade bill with such language included.

Whiz Kid of ZZZZ Best Is Called on the Carpet

Reputation Shattered by Charges

By Richard W. Stevenson, New York Times Service

LOS ANGELES — At the age of 21, Barry J. Minkow has experienced degrees of fame, fortune and notoriety that few people achieve in a lifetime. Having made millions of dollars from a carpet-cleaning company he started in his parents' garage six years ago, he became an entrepreneurial hero to many in Southern California.

But Mr. Minkow now faces a rash of legal problems that have shattered his reputation and could lead to criminal prosecution. He is being investigated for links to organized crime and is already fighting allegations that he misappropriated more than \$23 million from his own company, ZZZZ Best Co., driving it to bankruptcy court.

Wednesday, members of the Los Angeles Police Department's Organized Crime Intelligence Division searched ZZZZ Best's offices and Mr. Minkow's home in suburban Los Angeles. The police said an investigation had uncovered substantial evidence that the company had been used to legitimize "large profits from nascent sales by organized crime." A spokesman said the police were searching for documents that would trace the flow of the company's money.

Mr. Minkow resigned from the company July 2, citing health reasons. On Monday, following an internal investigation, the company filed a civil suit charging that Mr. Minkow and several associates had engaged in an "elaborate scheme" to divert money for their own use.

The purported diversion had depleted its funds so dramatically, the company said, that it would have to seek protection from creditors under Chapter 11 of the federal bankruptcy laws. The company is also being investigated by the Securities and Exchange Commission.

Mr. Minkow's legal problems, especially the allegations of money laundering, came as a shock to many in his hometown of Reseda, north of downtown Los Angeles, where he was known for his contributions to anti-drug programs and other community projects.

Through his lawyer, Arthur Barans, Mr. Minkow denied any wrongdoing or link to organized crime.

Until the last few months, it appeared that his business skills were matched only by his cockiness. ZZZZ Best, which was an after-school project with a few thousand dollars in annual sales to a multi-million-dollar concern that became a darling of Wall Street.

Mr. Minkow, who has short dark hair and displays weightlifter's muscles, boasted in an interview earlier this year that "we are a better company than IBM," and that his ambition was to build ZZZZ Best into "the General Motors of carpet cleaning" all over the world.

One day, he said, he would become president of the United States.

Mr. Minkow has been astounding people throughout his young life. His mother worked for a carpet-cleaning company. When Barry was 13, she was killed in a car accident.

See CARPET, Page 13

Currency Rates

Table of currency rates for various countries including Australia, Brazil, Canada, France, Germany, Hong Kong, India, Italy, Japan, Korea, London, Mexico, New Zealand, Norway, Singapore, South Africa, Switzerland, Taiwan, Thailand, UK, and USA.

Other Dollar Values

Table of other dollar values for various currencies including Australian dollar, British pound, Canadian dollar, French franc, German mark, Hong Kong dollar, Indian rupee, Italian lira, Japanese yen, Korean won, New Zealand dollar, Norwegian krone, Singapore dollar, South African rand, Swiss franc, Taiwan dollar, Thai baht, UK pound, and US dollar.

Interest Rates

Table of interest rates for Eurocurrency deposits and key money rates for various currencies and terms.

Asia Dollar Deposits

Table of Asia dollar deposits for various currencies and terms.

U.S. Money Market Funds

Table of U.S. money market funds for various funds and their performance.

Gold

Table of gold prices for various locations and terms.

U.S. Oil Prices Go Over \$21 On News of Tanker Attack

NEW YORK — Oil prices rose past \$21 a barrel on the New York Mercantile Exchange on Thursday to the highest level in 18 months after an Iranian gunboat attacked an American-operated supertanker in the Gulf.

West Texas intermediate — the benchmark U.S. crude for immediate delivery on the Merc — soared by 35 cents to \$21.23 a barrel. It was the first time that the crude had closed above the \$21 level since it finished at \$21.27 a barrel on Jan. 20, 1986.

Prices advanced in Europe, where North Sea Brent for July was trading as high as \$19.75, up 25 cents, and August cargoes were at \$19.65. The most widely traded Middle East crude, Dubai, was up 10 cents on Wednesday at \$17.55 a barrel.

The news of the attack provided further upward momentum to a market in which prices have risen sharply since last month's meeting of the Organization of Petroleum Exporting Countries in Vienna, during which new output controls were set for the rest of 1987.

The supertanker, the Peconic, was registered in Liberia and under charter to a subsidiary of Texaco Inc. The final cargo would have been about 2 million barrels, Texaco said.

William Byers, analyst for Bear Stearns & Co., said the market probably would stay firm, without major movement.

(UPI, Reuters)

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Wolters Samsom Raises Kluwer Bid

By Ronald van de Krol
Special to the Herald Tribune
AMSTERDAM — Wolters Samsom Groep NV, the "white knight" trying to save fellow Dutch publisher Kluwer NV from an unfriendly takeover by Elsevier NV, raised its agreed takeover terms for Kluwer on Thursday as it launched a public tender offer. The offer is valued at nearly \$500 million.

The enhanced terms are designed to compete more effectively with last week's tender offer by Elsevier, another Dutch publisher. Under the terms, Wolters Samsom will pay two of its own ordinary shares, 50 guilders (\$24) in cash and one convertible cumulative preference share for each Kluwer ordinary share.

Both bids value Kluwer, the third-ranking Dutch publisher, at

just over 1 billion guilders (\$484 million). Originally, Wolters Samsom offered to swap three ordinary shares for each of Kluwer's.

A direct comparison between Wolters Samsom's two bids is difficult. But based on Thursday's closing prices and assuming all the preference shares are converted, the new bid values each Kluwer share at 425 guilders. Elsevier's offer, of six of its ordinary shares plus \$75 in cash, values Kluwer's 2.43 million shares at 433 guilders each.

With the offers based partly on the bidders' share price, stock market moves have become important. Kluwer rose to 422 guilders on the Amsterdam stock exchange, a gain of 4.50 guilders from Wednesday. Elsevier closed 1.20 guilders higher at 58 guilders, while Wolters Samsom slipped one guilder to 125.

Analysis said Wolters Samsom had been forced to improve its offer after Elsevier announced last week that it had already captured up to 24 percent of Kluwer's ordinary shares on the open market.

One analyst noted that even if Elsevier gained all Kluwer's ordinary shares, it would still not win majority control. Kluwer, to dilute the voting power of the ordinary shares, has issued millions of preference shares to a Kluwer foundation and to Wolters Samsom.

The merger of Kluwer and Wolters Samsom, the fourth-largest Dutch publisher, would create the country's second-biggest publishing group. If it wins, Elsevier, currently No. 2, would outdo NV Verenigd Bezi VNU as the largest Dutch publisher.

Profits at Issue At French Banks

Reuters
PARIS — French bank profits rose by more than 30 percent in 1986 to 120 billion francs (\$19.6 billion), but future profitability might not be assured if banks don't do more to cut costs, the Banking Commission reported Thursday.

It said that while the average annual increase in operating costs had been cut from nearly 20 percent in 1981 to 5.5 percent in 1986, the rate of growth was higher than the rate of inflation, 2.1 percent last year.

Over the last four years operating costs had risen 42 percent while the consumer price index had risen 24.7 percent.

Former Crocker Executives Reunited

By Arthur Higbee
International Herald Tribune
W. Keith Smith, who helped Frank V. Cahouet cut loan losses at Crocker National Corp. of San Francisco, has rejoined his old chief at Mellon Bank Corp. in Pittsburgh to try to do more of the same.

Last month Mellon hired Mr. Cahouet, 55, to replace J. David Barnes, who was dismissed by Mellon's board in April after the bank holding company reported a \$59.8 million quarterly loss, cut its dividend and forecast a large second-quarter loss.

The bank said Mr. Smith, 52, had been named vice chairman and treasurer, and will function as chief financial officer. He succeeds G. Christian Lantzsch, 63, who is retiring.

At Crocker, Mr. Cahouet and Mr. Smith restored the bank to profitability before it was sold to Wells Fargo Corp. After Mr. Cahouet resigned as chief executive officer of Crocker last year, he became president of the Federal National Mortgage Association. Mr. Smith went to Pacarc Inc. of Bellevue, Washington, a maker of heavy-duty trucks, as chief financial officer and manager of its financial and leasing subsidiary.

Nathan W. Pearson, interim chairman before Mr. Cahouet was appointed, told The New York Times the Mellon directors had chosen Mr. Cahouet because they view Mellon's difficulties as similar to those at Crocker.

McLean Industries of New York, the big American-flag shipping company, has promoted Robert G. Truesdell 2d to president and chief executive. Mr. Truesdell, 38, had been president and chief executive of another McLean venture, First Colony Farms Inc., a real estate subsidiary. He succeeds Charles I. Hiltzheimer, 59, who took the posts last November shortly after the company filed for court protection under Chapter 11 of the Federal Bankruptcy Code. Mr. Hiltzheimer will continue to be an adviser on matters relating to McLean's shipping subsidiaries.

Occidental Petroleum Corp. of Los Angeles has promoted Joseph F. Snape to president of Occidental Petroleum (Caledonia) Ltd., the company's British subsidiary. Mr. Snape, 49, an American, had been general manager of Occidental's North Sea operations since 1981.

Chemical New York Corp. has appointed Francois B. Larsen as general manager of Chemical New York Capital Market Corp., its securities subsidiary in Geneva. Mr. Larsen, 31, a Danish-born Swiss, had been deputy director. He succeeds the interim general manager, Janharm Musters, who will return to his post as chief operating officer for Chemical's merchant banking subsidiary in London, Chemical Bank International Ltd.

OSE SA of Marseille's general manager, Alain Kirichian, 37, has sold the master franchise of its OK Service subsidiary to Rainbow In-

ternational of Waco, Texas, a carpet cleaning and dyeing chain. OSE is an acronym for Organisation de Service d'Entreprise. OK Service, through its network of agencies, installs, repairs and maintains household utilities and appliances.

Westpac Banking Corp. of Sydney has promoted Geoffrey Yates to general manager for the state of Victoria. He succeeds Ray Hornsby, 58, who is retiring. Mr. Yates, 46, had been deputy manager of Westpac Life Ltd., a Westpac subsidiary, which he founded last year.

Primerica Corp. the Greenwich, Connecticut financial services and retailing concern formerly known as American Can Co. has named Michael I. Roth executive vice president and chief financial officer. Mr. Roth, 41, moves up from senior vice president. He succeeds Kenneth A. Yarnell Jr., 44, who last month became president of the company.

Chief Resigns As US Sprint Takes a Charge

The Associated Press
KANSAS CITY, Missouri — Charles Skibo, president of unprofitable US Sprint Communications Co., has resigned from the long-distance phone concern, it was announced Thursday by United Telecommunications Inc. and GTE Corp., Sprint's owners.

The companies said Robert Suedaker, 61, former vice chairman and chief operating officer of United Telecommunications, would replace Mr. Skibo, 48.

The partners also said Sprint's financial results for the second quarter of 1987 would include a nonrecurring pretax charge against earnings of about \$350 million.

Mr. Skibo resigned "to pursue other business interests."

US Sprint's \$350 Million Charge Hurts Parents

Reuters
KANSAS CITY — United Telecommunications Inc. said Thursday that at \$350 million pretax charge at US Sprint Communications Co., its joint venture with GTE Corp., will force it to post an after-tax charge of about \$109 million in the second quarter, or \$1.09 a share.

GTE said its share of the charge at the long-distance phone company, after taxes, would be \$55 million, or 16 cents a share.

The companies said that the one-time charge at US Sprint would cover the writedown of obsolete equipment as it switched to a fiber-optic network and an increased provision for uncollectible customer bills.

GTE said its pretax share, or \$175 million, would be partially offset by a pretax gain of about \$75 million from pension settlements.

GTE, based in Stamford, Connecticut, said it would post a profit for the second quarter despite the US Sprint charge. GTE earned 78 cents a share for the first quarter and 92 cents a share for the second quarter of 1986.

United Telecommunications earned 13 cents a share for the first quarter and 57 cents a share for the second quarter of last year. It said that US Sprint was making good progress in rectifying the billing problems that have hurt the carrier's results ever since it was formed in June 1986, when GTE and United Telecom merged their ailing long-distance units.

Dow Jones' Net Rises
NEW YORK — Dow Jones & Co. said Thursday that second-quarter profit rose 16.9 percent to

\$49.1 million after \$42 million in the year-ago period.

Earnings-per-share rose to 51 cents from 43 cents, on revenues up 9.7 percent at \$313.1 million from \$283.3 million.

For the first half, profit rose to \$115.8 million, or \$1.20 a share, from \$103.8 million, or \$1.07, on sales of \$598.6 million after \$545 million in the year-earlier period.

Thorn EMI Profit Soars
LONDON — Thorn EMI PLC said Thursday that pretax profit jumped 52.3 percent to £159.5 million (\$258 million at current exchange rates) in the year ended March 31, after £104.7 million in the previous year.

Operating profit rose 23.6 percent to £173.3 million from £140.2 million, but sales actually fell slightly, to £3.19 billion from £3.32 billion.

Thorn said its withdrawal from the major domestic appliance market this year was an important strategic move, divesting it of a business with doubtful potential, and the group is now poised for continuous steady profit growth.

The major domestic and commercial appliances businesses were sold to Electrolux AB of Sweden in June for around \$44 million.

J.P. Morgan Posts Loss
NEW YORK — J.P. Morgan & Co. has posted a \$586.4 million loss for its second quarter, after a \$237 million profit in the year-ago period, as a result of the bank holding company's decision to add \$875 million to its reserve for possible bad loans.

The loss was the first since Mor-

gan became a public company in 1959, but Wednesday's announcement from the nation's fourth-largest bank holding company had been expected, following the recent move by U.S. banks to boost their bad loan provisions.

Although Morgan has \$1.3 billion in Brazilian loans that have been reclassified as nonperform-

ing, its total nonperforming assets excluding Brazil fell in the quarter, to \$434 million, from \$672 million a year ago.

Morgan's total allowance for loan losses was \$1.76 billion as of June 30, or 5.35 percent of total loans outstanding, compared with \$247 million, or 2.22 percent, a year earlier. (AP, NYT)

COMPANY NOTES

Chrysler Corp. may seek to buy a brokerage house or mortgage company. The Detroit News reported, quoting the chairman of Chrysler Financial Corp., Robert Miller. Chrysler also was reported to be interested in acquiring a high-technology company.

Consolidated Gold Fields PLC has sold 10 percent of its subsidiary Gold Fields of South Africa Ltd. to Rembrandt Group Ltd., the South African concern, for £131 million (\$212 million). The sale reduces Consolidated's stake to 38 percent.

Fichtel & Sachs AG, the maker of car components, hopes to improve its position in the U.S. market after its recent takeover by Mannesmann AG, according to the managing board chairman, Friedrich Nachtsheim.

Group Bruxelles Lambert SA and Tractebel SA hold 52.4 percent of Contibel Holdings PLC after buying 15.1 percent. The majority stake in Contibel gives the partners a shareholding of more than 25 percent in Petrofina SA.

JMB Realty Corp. signed a definitive agreement for the previously announced acquisition of the Cadillac Fairview Corp. for \$1.96 billion, or \$60 million less than originally announced. JMB will pay 34 Canadian dollars a share (\$25.70) in cash.

Koninklijke Nedlloyd Groep NV said it would cancel its joint conventional-cargo East Africa service with Mitsui OSK Lines Ltd.

Lombco PLC plans to raise \$56 million (\$90.6 million) through the issue in Japan of 20 million ordinary shares at £2.804 each through 34 Japanese brokerages.

Marriott Corp.'s negotiations have stalled in the attempt to buy Denny's Inc. and create the largest U.S. chain of family restaurants. Denny's said it considers the deal dead.

Morgan Stanley Group has announced that the trade giving Paul A. Bilzarian 4.1 million shares of Pay 'N Pak Stores Inc. was canceled when a U.S. judge barred the purchase, which would have given Mr. Bilzarian control.

Shell Winning has concluded an agreement with the state-owned Egyptian General Petroleum Corp. using a new gas clause. It allows companies exploring for oil to sell gas they find to the government at a market-related price rather than simply recovering the costs of exploration and production.

The Mouse That Roared: WPP's Bid for JWT

By Steve Lohr
New York Times Service
NEW YORK — The successful \$566 million bid by a tiny British marketing company, WPP Group PLC, for the world's fourth-largest advertising concern, JWT Group, was a minnow-swallows-whale corporate tale, the most daring and audacious move ever seen by Madison Avenue.

What made the acquisition possible was an innovative financing structure put together by WPP and its 42-year-old chief executive, Martin S. Sorrell. The package included a couple of distinctively British features and a new attitude toward risk in the deregulated London financial community.

Even amid the growing spate of trans-Atlantic takeovers, the WPP action was unprecedented for its speed, structure and equity risk. The cash was financed largely by a tripling of WPP's shares outstanding. Previous trans-Atlantic deals have typically involved big British companies whose bids were financed internally or through bank loans.

"There has never been a hostile deal by a British company going after a U.S. company with anything like this kind of financing," said Richard Kelly, a London vice president of First Boston Corp.

Mr. Sorrell began plotting his assault last February in the private dining room of the British merchant bank Samuel Montagu & Co.

Samuel Montagu and WPP began to assemble a stake in JWT, financed mainly by the merchant bank.

By late June it came to nearly 5 percent, worth \$14.8 million — more than four times the WPP assets.

Before WPP made its initial bid of \$45 a share for JWT on June 10, one of the options presented by First Boston was an American-style formula, which would have depended largely on debt. This structure would offer easier access to funds, but it would also mean pressure to generate cash flow. Mr. Sorrell rejected the leveraged option, preferring to sell more stock.

One banker described the attitude of Mr. Sorrell, who was educated at Cambridge University and Harvard Business School, as mid-Atlantic: willing to take more financing risk than most Britons but balking at U.S. debt levels.

The initial \$450 million bid was to be financed through a \$285 million stock issue, with Samuel Montagu and Credit Suisse First Boston Ltd. underwriting. When the bid was raised on June 26 to \$566 million, the equity portion was increased to \$340 million. It will be distributed through a rights issue where current shareholders will have the right to purchase two WPP shares priced at just over \$14 each for every share held.

Shareholders do not have to exercise that right, and the underwriters, who are left with unwanted stock, face greater potential risk than on new-share issues in the United States, where rights issues are not floated.

Before the deregulation of London's financial markets last October, this kind of rights issue was all but unknown. Moreover, the speed of the bank decision, 20 minutes on the raised bid, would never have been considered.

Dainippon Ink Delays Buying Reichhold Stock
The Associated Press
NEW YORK — Dainippon Ink & Chemicals Inc., which has bid \$473 million for Reichhold Chemicals Inc., said Thursday it would delay acquiring Reichhold shares until Aug. 7, while Reichhold agreed to provide it with certain nonpublic information.

Dainippon said it extended its \$52.50 a share tender offer for the specialty chemical company through Aug. 6, instead of the original July 23 deadline.

Reichhold's stock fell 62.5 cents Thursday to close at \$63.375 on the New York Stock Exchange.

Reichhold initially rejected the unsolicited offer. But Dainippon has indicated it might sweeten its bid, and Reichhold has said it was talking with other potential acquirers.

CARPET: Cleaning Firm's Whis Kid Swept Up in 'Laundering' Allegations

(Continued from first finance page)
ry was 9, she started taking him to work because she could not afford a baby sitter. He learned the basics of carpet cleaning and demonstrated a salesman's instinct by calling prospective customers.

At 15, operating out of his parents' garage, he started his own company. His friends had to drive him to appointments because he was not old enough to drive. Within a year he had his license and a long list of satisfied customers.

Working with what associates described as single-minded determination, he expanded his company into the largest of its kind in Southern California by the time he was 18 — when he said he made his first \$1 million. When ZZZZ Best went public last year, his 53 percent stake was for a short time worth more than \$100 million. He found a girlfriend, drove a red Ferrari and appeared on television talk shows.

But Mr. Minkow's rise now appears not to have proceeded as clearly as he has portrayed it. In 1985, by his own account desperate for cash, he borrowed \$400,000 from Jack Catain, a reputed organized crime member, at interest rates of between 2 percent and 5 percent a week. Mr. Catain later sued Mr. Minkow for purportedly failing to make good on an agreement to split the profits on certain work done by ZZZZ Best, which also restores damaged buildings. Mr. Catain died in February.

Later, Mr. Minkow was forced to take on other joint venture partners, who usually received 50 percent of the project's profits.

The Los Angeles Times reported in May that the company had fraudulently overbilled some of its

credit card customers by \$72,000 during 1984 and 1985. Mr. Minkow admitted the overcharges, blaming them on unscrupulous subcontractors that he said no longer worked with the company. But some major investors in ZZZZ Best say they believe the company needed the extra cash to stay in business.

In any case, associates said, Mr. Minkow was clearly under enormous strain. While still a teen-ager, he developed bleeding ulcers, and his behavior was erratic.

Still, he retained his reputation as a do-gooder in his hometown, donating thousands of dollars to community causes. "To say that Mr. Minkow is generous is an understatement," Jan-Charles Leavitt, the executive director of the West Valley Family YMCA, wrote in a letter to the Los Angeles Times after its credit card story.

Law enforcement officials, however, have a darker view of Mr. Minkow. Police Chief Daryl Gates of Los Angeles said that the department had begun its investigation following the arrest of Ronnie Lorenzo, 41, a suspected organized crime figure, on a fugitive warrant from New Jersey. Mr. Lorenzo denied any wrongdoing.

After questioning Mr. Lorenzo about his suspected cocaine smuggling and trafficking activities, investigators developed evidence of a conspiracy to use legitimate businesses for laundering what Mr. Gates called "huge" drug profits. The investigation centered on ZZZZ Best, one of its subsidiaries and Interstate Appraisal Services, a Culver City, California, concern.

In the suit it filed against Mr. Minkow, ZZZZ Best charged that Interstate Appraisal and its presi-

dent, Thomas Padgett, had been part of a scheme to divert funds from ZZZZ Best by arranging for apparently fraudulent contracts.

The extent of the link between the purportedly misappropriated funds and the suspected money laundering scheme was unclear, Mr. Gates said.

Police said that participants in the suspected conspiracy also included four men with links to organized crime, and two others described as their associates.

While the focus of the case has been on Mr. Minkow, it has also raised questions about why the company's board and its legal and financial advisers did not detect the purported misappropriation sooner. One board member, who asked not to be named, acknowledged this week that the company's internal investigation began only after the Los Angeles Times reported the credit card overbilling.

ZZZZ Best has 10 directors.

These include four outside directors, none of whom appear to have experience running a publicly traded company. Three of these outside directors have professional or personal links to Mr. Minkow.

The directors are potentially liable for some of the losses suffered by ZZZZ Best's shareholders as the stock plummeted from a high of \$18.375 a share in the last year to a closing of \$1.0625 in over-the-counter trading Wednesday. An outside director who asked not to be named said their liability insurance had apparently lapsed.

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— CREDIT LYONNAIS, London;
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SECURITY PACIFIC BANK S.A., GENEVA
A subsidiary of Security Pacific National Bank, Los Angeles, CA., announces that Mr. Henri Héraief, having reached retirement age, will be stepping down as general manager as from July 1st, 1987. Mr. Héraief will continue as director and vice chairman of the board.

During more than twenty-five years in his capacity of general manager, Mr. Héraief was instrumental in developing our organization into a profitable and well regarded member of the Swiss Banking Community. To succeed him, Mr. Louk de Wilde has been appointed general manager. Mr. de Wilde was for the last six years general manager of NMB Bank (Suisse) S.A., Geneva.



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Thursdays AMEX Closing

Tables include the active prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, 52 Week High, Low, Close, Chg. Over. Lists various stocks and their performance.

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INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 9th July 1987

Large table listing various international funds with columns for fund name, currency, and price. Includes sections for 'Other Funds' and 'Floating-Rate Notes'.

DM - Deutsche Mark; BF - Belgium Franc; C - Canadian Dollar; FF - French Franc; FL - Dutch Florin; LF - Luxembourg Franc; EC - European Currency Unit; pesetas - Ptas.; Sfr - Swiss Franc; A\$ - Australian Dollar; NZ\$ - New Zealand Dollar; HK\$ - Hong Kong Dollar; M\$ - Malayan Dollar; S\$ - Singapore Dollar; T\$ - Taiwan Dollar; US\$ - US Dollar; Y\$ - Yen; £ - Pound Sterling; M\$ - Mexican Peso; R\$ - Real; Rp - Indonesian Rupiah; S\$ - South African Rand; Z\$ - Zimbabwe Dollar; B\$ - Botswana Pula; G\$ - Gambia Dollar; K\$ - Kenyan Shilling; L\$ - Lesotho Pula; M\$ - Maldivian Rufiyaa; N\$ - Namibian Dollar; P\$ - Papua New Guinea Kina; S\$ - Sierra Leone Leone; T\$ - Tanzanian Shilling; U\$ - Ugandan Shilling; V\$ - Vietnamese Dong; W\$ - West African CFA Franc; X\$ - East African Shilling; Y\$ - Yugoslav Dinar; Z\$ - Zambian Kwacha.



CURRENCY MARKETS

Dollar Slips in Moderate Trading

NEW YORK — The dollar slipped slightly Thursday against most major currencies in New York and Europe, but its retreat against the Japanese yen was halted by a statement from the U.S. trade representative, Clayton K. Yentzer.

Table with 3 columns: Currency, Bid, Ask. Includes London Dollar Rates, Deutsche mark, French franc, Swiss franc, Japanese yen, Hong Kong dollar, and Singapore dollar.

Mr. Yentzer's comment that the United States is competitive at current yen/dollar rates underpinned the market, dealers said, but his words were not enough to spark much enthusiasm in a subdued market.

The pound, alone among major currencies, lost ground against the dollar, dipping to a final \$1.6180, off slightly from Wednesday's close of \$1.6190.

HK Gets Share-Linked Bonds for Bulls, Bears

Patrick L. Smith, International Herald Tribune: HONG KONG — Banque Paribas, transplanting a fund-raising technique from the Eurobond market, introduced Thursday in Hong Kong a bond whose return is linked to the performance of the volatile local stock market.

TOSHIBA: Sales to Soviet Place Once Stodgy Company in Harsh Spotlight

(Continued from first finance page) top computers are one of the best examples. Under Mr. Saba, who became president of the company in 1980, Toshiba emerged as one of the leaders in the field.

For example, Toshiba's business in the heavy electrical machinery sector — generators and nuclear power plants — has slipped in recent years. Whereas the sector contributed one-third of revenues a few years ago, that figure is now 26 percent.

Mr. Myers said Toshiba now compares well with other electronics giants such as Hitachi and NEC Corp. "Market surveys indicate that Toshiba is holding, or gaining market share in some areas, for example, semiconductors, color televisions, air-conditioners, and personal computers," he said.

sledgehammers to smash a Toshiba portable radio-cassette recorder on the grounds of the U.S. Capitol. "Treachery by any other name is still treachery," Ms. Bentley, a Republican of Maryland, said. "But if it had another name, it would be Toshiba."

Taiwan Eases Currency Rules To Reduce Swollen Reserves

TAIPEI — Taiwan, holder of the world's third-largest foreign exchange reserves, announced sweeping changes Thursday to allow businesses to freely invest their export earnings overseas for the first time since 1949.

BANKS: UBS, Hill in Talks

(Continued from first finance page) serious player," said Peter Quinn, chairman of James Capel & Co. Sources said UBS is a white knight for Hill Samuel, which apparently feared a hostile takeover bid from its minority Australian shareholders, FAI Insurance Ltd. and Consolidated Press Holdings Ltd.

KONGSBERG: Norwegian Arms Maker Fears for Its Financial Future

(Continued from first finance page) shipments as far back as 1974 to determine whether computer technology software and military equipment made by the company had found its way to the Soviet Union. He declined to say what had prompted the reopening of the inquiry, which is in a preliminary stage.

HK Gets Share-Linked Bonds for Bulls, Bears

The issue for 1.5 billion Hong Kong dollars (\$192 million) was arranged for a Paribas subsidiary. If it is successful, the bond is expected to add a new dimension to the local capital market, which has slumped because of a heavy volume of issues and rising interest rates.

TOSHIBA: Sales to Soviet Place Once Stodgy Company in Harsh Spotlight

For another, Kongsberg has recently reshaped itself into a company whose only business is the arms industry. And finally, about 10 percent of Kongsberg's 2.1 billion kroner (\$312 million) in sales last year came from U.S. orders, not including NATO sales, which the ban might affect.

KONGSBERG: Norwegian Arms Maker Fears for Its Financial Future

Founded in 1814 as an arsenal, Kongsberg is among Europe's oldest arms makers. Once, muskets, swords and a few cannons were Kongsberg's main products, but now individual firearms are made at Kongsberg only for hunting and competitive shooting uses.

TOSHIBA: Sales to Soviet Place Once Stodgy Company in Harsh Spotlight

600 and 800 million kroner "could be in danger" if the House of Representatives follows the Senate's lead. Also threatened by a boycott are the company's hopes to sell a jet fighter-launched version of the Penguin to the U.S. Air Force, Mr. Andersson said.

Thursday's OTC Prices. NASDAQ Composite 4 p.m. New York Stock Exchange. Includes a list of various OTC stocks and their prices.

Main financial table with multiple columns for stock prices, including 12-month high/low, dividend yield, and price/earnings ratio. Lists various companies like ABC, AIG, AIGP, etc.

Continuation of the main financial table, listing more companies and their stock data.

he Right. Advertisement for a financial service or product, possibly related to the OTC prices section.

SPORTS

It's a Devilish Game in Texas

By David Maraniss
Washington Post Service
EL PASO, Texas — Is this America or what? You want baseball, hot dogs and the Stars and Stripes? How about wallball, jalapeno burrito dogs and the Green Wienie Flag? Forget about Disney World, this is a real fantasyland — an ancient, bright yellow, adobe hilltop where the public address announcer sounds like television-show host Bob Barker, the fans act as if they're on his "Let's Make a Deal," the pitchers complain about team arms and sore heads and the hitters — wow, the hitters.

In Dudley Dome It Never Rains but The Runs Usually Come Pouring In

bothered by the noise at Shea Stadium? And he said: "Why don't you tell your GM," the general manager, "to try some of that stuff. It might help you break even."
There remain purists who believe that Paul and other gimmick-masters have hurt the game, but they are in the minority. Last year, the Diablos won the President's Trophy as best-run franchise in the minors, and Paul's ideas have been at the forefront of a bush-league revival that, in the last 10 years, has seen about a dozen teams turn into money makers. Paul does not worry about how it might play in New York or Boston. It plays in El Paso.

'Every day, I look in the papers and see that somewhere there are scores of 2-1 or 3-2. Not here. You get a home run, and they give you dollar bills. You pitch a shutout and they say the pitcher can pass his hat, but who's gonna be around... I've never seen a shutout anyway.'

— Pitcher Alan Sadler

Eccentric Elie Riles, the shortstop the Brewers sent to El Paso for injury rehabilitation. He picks one to the top of the Green Monster, the 36-foot (11-meter) wall atop a center-field slope that keeps the ball there from flooding the field. Ever seen an outfield fence like this one? Forgetting wall ball, double-decked from left to right, all the way to the right-field corner against a garish yellow background.

'Everything is topsy-turvy in the Dudley Dome. It was so named in 1978 when, after night rain, rain fell on every section of the city except within the friendly confines of Dudley Field. Whenever a rainstorm approaches, the announcer says it's time to put on the dome, and he makes weird noises as an imaginary roof closes overhead. It works. Twice during the San Antonio series, rain fell everywhere but inside the dome. Play had to be stopped twice because sandstorms blew from left field, but the rain never fell, and the hitters never stopped hitting.

SCOREBOARD

Baseball

Table with columns for Major League Standings (American League, National League) and Wednesday's Major League Line Scores. Includes team names, wins/losses, and game scores.

Major League Standings

Table showing Major League Standings for American League and National League, including East and West Divisions with columns for W, L, Pct., GB.



Danny Jackson, the Royals' pitcher, tried to defend himself as Brett Butler leaped to the attack after dodging two pitches. The Indians again won, after another game of fights.

4 Yankees Voted To Start Tuesday All-Star Game

The Associated Press
NEW YORK — Dave Winfield, Don Mattingly, Willie Randolph and Rickey Henderson gave the New York Yankees half the starting positions for the American League in next week's All-Star Game when the fan balloting was announced Wednesday.



Ozzie Smith: Top vote getter.

Mattingly, the first baseman, is making his first starting appearance. Mattingly is hitting .326 with 10 homers and 52 runs batted in.

Transition

Baseball

NEW YORK — Pat Rife, outfielder, on 15-day disabled list. Recalled from rehab. from Columbus, International League. Transferred from Columbus, International League, to New York Yankees. Rife was recalled from 15-day disabled list to 25-day disabled list.

Soccer

AMERICAS CUP
Chile 2, Colombia 1
Chile vs. Argentina or Uruguay
EUROPEAN CUP SOCCER
First Round: FC Bayern Munich vs. FC Barcelona

Tennis

Pro Leaders
(Through July 7)
MEN
1. Lleyton Hewitt, 2,115 pts.
2. Ivan Lendl, 1,828 pts.

Yankees Again Trail But Again Rally for A 2d Rout of Twins

NEW YORK Times Service
NEW YORK — The New York Yankees turned a 4-3 deficit in the fifth inning into a 13-4 victory Wednesday. The night before, they had turned a 7-0 problem into a one-sided triumph by scoring 12 runs in two innings. And beneath the first-base stands in Yankee Stadium, the inhabitant of the manager's office was running out of metaphors.

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SPORTS BRIEFS

Van der Poel Wins Hot Race
RENAZE, France (AFP) — Adri Van der Poel became the third Dutchman to win a stage of this year's Tour of France when he won a five-man sprint to the finish Thursday in a bicycle race that saw several crashes and some riders engage in fist fights in the oppressively hot weather.

